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## Near East/South Asia Report

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12 June 1984

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PALESTINIAN AFFAIRS

TERRORIST GROUPS, OPERATIONS IN MIDDLE EAST EXAMINED

London AL-MAJALLAH in Arabic 24-30 Mar, 31 Mar-6 Apr, 7-13, 14-20, 21-27 Apr, 28 Apr-4 May 84

[24-30 Mar 84 pp 28-32]

[Article by Nadim Nasir with contributions by Salah Qallab in Tunisia, Amir Tahiri in Paris and Lima Nabil in Amman]

[Text] Violence from India to Britain: the most dangerous secret organization for international terrorism in the world.

Palestinians say: "Revolutionary violence did achieve its interim objectives; its continuation hurts the cause."

Why did Fatah issue a death sentence against Abu Nidal?

In the past 15 years revolutionary violence and international terrorism have become a universal phenomenon that the world has worked hard to resist. However, the process of eradicating that phenomenon, which has assumed various forms and utilized different methods, was not easy in the face of determined men. The problem here lies in the fact that the world is no longer able to distinguish between legitimate revolutionary violence, which is practised by groups that adopt violence as part of a broader operation to liberate their homeland or overthrow an oppressive regime, and real international terrorism, whose aim is to undermine recognized institutions in the world. The reason for this confusion lies in the fact that revolutionary violence has been staged all over the world, particularly that violence which is carried out by Palestinians. The violence which has been evident in operations against Israeli targets and interests is undertaken in an all-out effort to liberate the land. The two notions became confused further by the fact that those who claim to be revolutionaries pursue methods that are really terrorist.

Because of the importance or gravity of this phenomenon, AL-MAJALLAH has compiled a series of investigative reports about revolutionary violence and international terrorism. A number of AL-MAJALLAH's writers and correspondents took part in compiling this investigative report. Because revolutionary violence and international terrorism are diverse and vary from operations by the secret Armenian army to operations that terrorized and eliminated citizens under the previous administration in Argentina, we chose to focus our attention in the nine

installments [sic]<sup>\*</sup> of this investigative report on revolutionary violence and international terrorism as they relate to the Middle East. This is the first installment of this investigative report.

In this century the seventies has been a decade marked by revolutionary violence and international terrorism. Although Italian police have been able to put an end to the Red Brigades or have almost put an end to that organization; although members of the Bader-Meinhof gang are in prison in West Germany; and although the Japanese Red Brigades group has been disbanded, thereby reducing the furious impact international terrorism has had on the world in the early eighties, revolutionary violence operations originating in the Middle East have reached a new and dangerous turning point since last spring. That was when a suicide group blew up the U.S. Embassy building in Beirut. While traditional operations of revolutionary violence which had been adopted by certain factions of the PLO have diminished--that was after Yasir 'Arafat announced in 1975 the end of an epoch of revolutionary violence that had had its interim justifications--one faction, the Black June faction which is led by Sabri al-Banna, [alias] Abu Nidal, has continued operations of revolutionary violence until today. These operations are not only carried out against Zionist and Israeli targets, but they are also directed against the principal trend in the Fatah Movement which Abu Nidal and his followers had rebelled against in the early seventies. Black June's operations were also carried out against Arab diplomats and officials. Mr Khalifah al-Mubarak, the United Arab Emirates' ambassador in Paris was the latest victim of Palestinian revolutionary violence. Although another obscure group, the Arab Revolutionary Brigades, claimed credit for his death, his assassination bore the marks of the Black June group. To counteract Palestinian revolutionary violence Israel's official terrorism has claimed a large number of leaders of the Palestinian Resistance as its victims. Israel's official terrorism is organized by Mosad which oversees implementation. Mosad is Israel's intelligence gathering and espionage agency.

With regard to international terrorism which is associated with the Middle East, the international terrorist, Carlos, is still at large although his activities have decreased in recent years following the death of Wadi' Haddad who is one of those who broke with the Popular Front for the Liberation of Palestine [PFLP]. Haddad refused to stop operations of revolutionary violence, and he went to south Yemen and then to Baghdad to pursue his activities from there.

In the late sixties the PLO considered operations of revolutionary violence on an international scene to be justifiable for that stage. The objective of these operations, which were focused principally on hijacking American and European civilian aircraft and blowing up some of them, may be summarized by saying that it was to restore the name of Palestine to the map of the world and persuade the peoples of the world that the Palestinian people were a distinct people with a just cause, a people whose land had been usurped and who [therefore] have to take action to regain it. The Palestinians are not merely a group of homeless refugees waiting for charity that comes to them from the countries of the world and is

\* Translator's note: There are only six installments in this report. The prefatory remark to the last installment refers to it as the sixth and last installment in the series.

distributed to them by the UN Relief Agency. As a result of UN resolutions 242 of 1967 this is the impression that stuck in the minds of people in the world. Resolution 242 regarded the Palestinian question as a question of refugees. Although numerous Palestinians, including leaders of the organization, feared such a strategy may have negative effects on the cause, that strategy succeeded to a large extent in getting the world to see the reality of that problem and its implications. For 20 years Zionist and Israeli propaganda agencies had tried to obfuscate that reality and those implications.

However, it was this same strategy that was one of the direct reasons for what became known as "the civil war in Jordan" which broke out in 1970 and 1971 between forces of the Jordanian army and forces of the Palestinian Resistance as a result of international pressures that were applied to Jordan to force it to curb Resistance operations, particularly those international operations of revolutionary violence. The Black September Organization, named after the month in which Resistance forces were defeated in Amman, came into being as a result of that defeat. In addition to its strikes against hostile Zionist and foreign targets, Black September struck Jordanian targets. The most important of Black September's operations against Jordanians was the assassination in Cairo of Wasfi al-Tall, the prime minister of Jordan.

In 1975, however, the activities of Black September were brought to a standstill because leaders of the organization became convinced that operations of revolutionary violence had achieved their interim objective. The organization's leaders became convinced that continuing operations of revolutionary violence would have a negative effect on the Palestinian cause at a time when moderate elements in the organization had become prepared to consider the possibility of reaching a peaceful solution that would guarantee minimum Palestinian demands: establishing an independent Palestinian state on the West Bank and the Gaza Strip. However, that tendency among leaders of the principal movement in Fatah to pursue moderate policies soon divided the organization. On the one hand, a rejection front was formed. That front rejected the notion of the organization abandoning its principal objective, which is the liberation of all of Palestine. However, that rejection front continued to adhere to the leaders' decision to ban operations of revolutionary violence. On the other hand, two factions broke with the organization. One of them, led by Sabri al-Banna, [alias] Abu Nidal broke with Fatah. The other group, led by Wadi' Haddad, broke with the PFLP. The two groups settled in Baghdad whose government did not object to the two groups' activities because the Baghdad government was rejecting any peaceful settlement with Israel. In 1978 Wadi' Haddad died of cancer while undergoing treatment in eastern Europe. With his death, the activities of his group declined and then stopped altogether.

But the activities of Abu Nidal's group have continued, and these may have become more dangerous recently. We were assured by a Palestinian source that Abu Nidal had taken part in preparations for the assassination of Wasfi al-Tall in Cairo before the break with Fatah. After the assassination of Mr Khalifah al-Mubarak, the United Arab Emirates' ambassador in Paris, French police sources affirmed that the method which was used in assassinating the ambassador was the same one that was used the previous day in assassinating General Oveysi, who is known in Iran as the murderer of Iran because of his tyranny against the masses during the Shah's administration. Although it was the Arab Revolutionary Brigades that claimed responsibility for the assassination of Khalifah al-Mubarak, western

intelligence sources affirm that the features of the operation and the method that was used in carrying it out indicate that it was carried out by Abu Nidal's group. These sources suggest that the two assassinations in Paris may have been perpetrated by the same group. Although these sources failed to produce a single piece of evidence to corroborate that allegation, they do claim that the reason why the Iraqi government expelled Abu Nidal's group from Baghdad last November was due to the fact that the Iraqi government discovered that Abu Nidal's group had begun cooperating with Iranian revolutionary groups or Shi'ite groups with ties to Iran. That would suggest that it was Abu Nidal's group, acting on behalf of those in power in Tehran, that carried out the assassination of General Oveyssi who has been pursued by Iranian revolutionary groups ever since his departure from Iran. Western intelligence sources suggest that Abu Nidal's group was responsible for the general's assassination even though the group that claimed responsibility for it was the Islamic Jihad group. However, a Palestinian source told us that the reason why Iraq expelled Abu Nidal's group from the country was due to the group's encroachment upon Jordan, Iraq's principal ally in its war against Iran. It was also due to the group's attempts to carry out violent activities in Jordan after carrying out several successful operations against Jordanian diplomats abroad which will be discussed later.

#### Retaliatory Operations

Among the reasons that made western intelligence experts believe that it was Abu Nidal's group that carried out the assassination of Khalifah al-Mubarak is the fact that the operation was not the first one against targets that belong to the Emirates. This operation was carried out in retaliation for the fact that the Emirates had turned over to Jordanian authorities members of the group who had been arrested in the Emirates. Western intelligence experts also call attention to the confessions of Nawwaf al-Rawsan, commander of the team that tried to assassinate Argov, Israel's ambassador in London in the summer of 1982. Al-Rawsan, who is serving a 35 years sentence in Britain, stated that his instructions were to concentrate on "teaching the United Arab Emirates an unforgettable lesson by eliminating individuals or throwing bombs." Western intelligence experts also call attention to the statement issued by the Arab Revolutionary Brigades claiming responsibility for al-Mubarak's death. The statement was issued from Bucharest, a city from which numerous statements by Abu Jihad's group [sic?] were issued. Western intelligence experts say that the group had previously used assumed names. After Sa'id Hamami, the organization's representative in London was killed by that group in 1978, a person contacted UP in London to say that the group that was responsible for the assassination of Hamami was the Voice of the Palestinian Revolution. This is the name used by the organization's radio broadcasting station. However, Abu Nidal's group later admitted that it was responsible for the elimination of Hamami.

#### Who Is Abu Nidal?

To shed light on Abu Nidal's character, his objectives and the reasons why he broke with Fatah, we have to go back to the beginning. Our investigations indicated that Sabri Khalil al-Banna was born to a well-known Palestinian family in Jaffa in 1936 during the major Palestinian Revolution. Contrary to what some western sources indicate, he was not born in Gaza. His mother is a Syrian citizen from Latakia. Sabri al-Banna emigrated with his parents when he was still a boy

of 12, and he left school at an early age to work in a Gulf country. There he worked as a painter and whitewasher in a construction shop. It was during that time that he joined the Arab Socialist Ba'th Party, but he withdrew from the party in the early sixties and, working with Palestinian colleagues, he formed a secret Palestinian organization during that period in which secret organizations had become widespread. Therefore, Abu Nidal considers himself to be more seasoned in Palestinian action than Yasir 'Arafat is. In an interview that appeared in the 1 May 1978 issue of THE MIDDLE EAST Magazine which is published in London, Abu Nidal said, "My involvement in armed Palestinian action antedates that of Yasir 'Arafat. I began working in earnest with my colleagues early in the sixties. That was preceded by a period of preparations for armed action. Early in the sixties we contacted a group of Palestinians who were operating in Kuwait, and Yasir 'Arafat was in that group."

Nevertheless, Abu Nidal was one of the first to join the Fatah Movement. Sources in Fatah deny that he is one of the founders of the movement. In 1967 al-Banna moved to Jordan to work exclusively in guerilla activity. He was chosen to serve as one of the movement's leaders in Jordan. That body of leaders also included Abu Salih; Naji 'Alush, [alias] Abu Ibrahim; Abu Dawud; and Qadri. In Jordan Abu Nidal initiated an operation within Fatah to polarize and attract leftist elements. He was the one who attracted those who later became known as the left movement in Fatah.

Abu Nidal was transferred to Baghdad before the events of September 1970 in Jordan. There he headed Fatah's office which later became the organization's office. Abu Nidal did not participate in the events that took place in Jordan, as western intelligence sources indicate. Because he held that position he became a member of Fatah's Revolutionary Council. This was based on the movement's decision to consider officials in its offices in countries surrounding Israel to be members of the Revolutionary Council.

The consequences of the events in Jordan marked the beginning of the dispute between Sabri al-Banna and Yasir 'Arafat. At Fatah's third conference, which was held in Damascus after the events in Jordan, al-Banna proposed a program of action that ran counter to the one which was proposed by 'Ali al-Hasan, one of Khalid al-Hasan's brothers. That program called for a strategy of "sequential explosions" that required secret guerilla activity. At the conference, which turned out to be the last one he would attend, Sabri al-Banna proclaimed the slogan of overthrowing the regime in Jordan, but Abu 'Ammar opposed him, and a vote was taken twice on al-Banna's proposal. Sabri al-Banna had received the support of the majority the first time the proposal was voted on. It was at that conference at which Abu Nidal represented the leftist tendency in Fatah--a conference that also included Naji 'Alush, Munir Shafiq, Abu Dawud and Qadri--that his dispute with Abu 'Ammar over the assessment of events in Jordan and the required political and military action prevailed. It seems, however, that Abu Nidal's dispute with the organization antedates the events in Jordan. In an interview with the Spanish magazine, (CAPIO), which appeared in the issue of 25 April 1975, Abu Nidal said, "Differences with PLO leaders are old. These differences began when those leaders came to these positions by a decision that was made by the first Summit Conference for Arab Kings and Heads of State in Cairo in 1964. The purpose of that decision was to sustain the onset of the armed Palestinian national liberation movement and defuse the resentment of Palestinian and Arab

masses which had harbored the beginnings of armed revolutionary action. When the petty bourgeoisie was united with the union in 1968 between leaders of the organization and leaders of Fatah, the internal struggle broke out. That was when the petty bourgeoisie led by the organization betrayed the movement's political program. On that date, 14 November 1968, the armed Palestinian movement in Jordan came face to face with the regime. The movement's program called for overthrowing the regime, but the leaders of the organization, who were part of Fatah's leadership, betrayed that program. Thus, the internal dispute was escalated, and two political tendencies emerged within Fatah and within the other organizations."

#### After the Ramadan War

Early in 1974, that is, after the Ramadan War, the dispute got worse when some Palestinian factions, including Fatah, proposed the slogan of a national authority. Sabri al-Banna quickly formed an organization with Naji 'Alush and Abu Dawud. That organization, which was somewhat related to Abu Musa, one of the leaders of the recent rebellion in Fatah, did not join the rejection front that was founded in 1975. That front included the Arab Liberation Front, the PFLP, the Palestine Liberation Front and the Popular Front for the Struggle. Although al-Banna's organization did not join the rejection front, it maintained contacts with it. When the group that broke with the organization rebelled last summer, Abu 'Ammar told foreign journalists that Abu Nidal and 55 of his men had joined forces with those who had broken with the organization in al-Biqa'. Abu 'Ammar told journalists they were led by Abu Salih. It was Abu Nidal who had used his influence in Fatah's third conference to make Abu Salih member of the Central Committee and Majid Abu Sharar secretary of the Revolutionary Council. Palestinian sources are accusing Abu Nidal's group of assassinating Sa'd Sayil last year. Sayil was the Palestinian military commander in al-Biqa'.

As a result of his growing dispute with the general tendency in Fatah, Abu Nidal broke with Fatah in 1976, setting up an independent organization in Iraq called the Revolutionary Council of the Fatah Movement. Naji 'Alush was the secretary general of that organization even though he was still at that time working publicly as a member of Fatah's Revolutionary Council. The organization's leaders included Abu Dawud and Munir Shafiq.

After breaking with Fatah, Abu Nidal inherited all the organization's facilities and property in Baghdad. That included a training camp in al-Ramadi near Baghdad, several offices and homes and large quantities of weapons. He also inherited the name, Fatah and the organization's slogans. He published a magazine in Baghdad that was called FALASTIN AL-THAWRAH [Palestine, the Revolution], which is the name of Fatah's magazine. Also the military wing of his organization was called al-'Asifah [The Storm], which is the name of Fatah's military wing. Abu Nidal's group established its control over the Palestinian community in Iraq which was estimated to be 30,000 Palestinians. Any Palestinian who wanted to enroll in the university or who wanted something done in government circles had to have the approval and the seal of the organization. Before the split occurred, Abu Nidal had called for a general convention of Fatah in 1975. That convention was to resolve to expel Yasir 'Arafat from the movement and accordingly preserve the movement's unity. But Palestinian pressures forced the government of Iraq to prohibit convening such a conference.

## A Death Sentence

In a direct reaction to the split and as a result of a statement that was made about his attempt during that period to arrange the assassination of Khalid al-Hasan and his conspiracy to assassinate Yasir 'Arafat, Fatah's revolutionary court issued a death sentence in absentia against 'Ali Sabri al-Banna for stirring up a Palestinian civil war. However, Abu Nidal scoffed at this sentence. In an interview with the weekly Lebanese magazine AL-DIYAR, he said, "I am quite capable of reaching the leaders of this faltering organization to carry out the death sentences that I issued against them." But it was not easy for the organization to get rid of him or to arrest him so that the sentence against him can be carried out. Abu Nidal was described as "a violent person who, although he is not very intelligent, had an uncanny ability to assume disguises and find out all about new political developments on the Arab scene." Western intelligence sources indicate that he used to cross the borders between one country and another in the Middle East disguised as a Catholic priest. These sources say that he helped Abu Dawud enter Jordan stealthily disguised as a woman. This is the operation in which Abu Dawud was arrested and for which a death sentence was issued against him in Jordan. However, Abu Dawud was released later by royal decree.

What helped Abu Nidal escape the organization's persecution is the fact that Iraqi authorities provided him with protection because they had the same points of view about the dangers of peace efforts. A report by Mosad, Israel's foreign intelligence and espionage agency, mentioned that the agency had sent a team of its agents to look into the possibility of assassinating Abu Nidal. When the team returned, it was mentioned that whenever an attempt was made to assassinate Abu Nidal and whenever action was attempted, the group clashed with Iraqi intelligence. It was this protection that subsequently stirred up a bloody feud between the organization and Iraqi authorities. That feud will be referred to at the proper time. The London newspaper, THE GUARDIAN had claimed that Nawwaf al-Rawsan, leader of the team that shot Argov, Israel's ambassador to London in the summer of 1982, was an officer in the Iraqi intelligence agency. The Iraqi government, however, has denied that claim.

Western intelligence agencies believe that Abu Nidal's group is the most dangerous and the most organized secret organization in the world. They say that Abu Nidal's organization has foolproof means of communication and methods for smuggling weapons which enable it to carry out its operations between India in the east and Britain to the west. Such organization together with absolute secrecy enabled Abu Nidal's group, which has been known by a variety of names, most important of which is Black June, to launch a bloody campaign against PLO representatives and against Syrian, Jordanian and Gulf diplomats. In addition, members of this group strike Jewish targets abroad. Because of its secrecy, no one knows the number of members in the organization or the identities of those members. French press sources indicated in 1983 that Salah Khalaf, [alias] Abu Iyad had warned French authorities against the possibility that Abu Nidal's group may set off a new campaign of violence in France. But a spokesman for the group, who identified himself as Abu Yusuf, told the French News Agency, "Abu Iyad's warning is false because it is impossible for him to find out what our plans and our actions are." The organization's makeup ensures total secrecy. However, estimates by Palestinian sources and by western intelligence sources about the magnitude of Abu Nidal's organization vary. Whereas organization sources estimate that Abu

Nidal's group has several hundred members, western sources say that the group may have as many as 2,000 members. Western intelligence sources further say that many students who are studying in western and eastern Europe are members of that group.

[No 216, 31 Mar-6 Apr 84 pp 34-38]

[Article by Nadim Nasir, with contributions by Salih Qallab in Tunisia, Lima Nabil in Amman, Amir Tahiri in Paris and Christopher Dobson, an expert on international terrorism in London]

[Text] The most dangerous man in the Middle East.

Abu Nidal spends 11 million dollars a year on his operations.

In 1973 Mosad added the name of Sa'id Hamami to the list of those who were to be eliminated.

The first installment in the series on international terrorism which was published in the last issue of AL-MAJALLAH provided a comprehensive view on the subject and dealt with Palestinian guerilla activity inasmuch as that activity is violent revolutionary action which Palestinian leaders say has achieved its interim objectives. Palestinian leaders also say that continuation of violent revolutionary action will hurt the cause. That installment also touched upon Sabri al-Banna, [alias] Abu Nidal and the reasons for his break with Fatah, the Palestine National Liberation Movement. That installment also dealt with the most important operations that were carried out by Abu Nidal's group and the position of that group on what is called international terrorism. The second installment in this series follows; it was compiled by AL-MAJALLAH with contributions by a number of its correspondents in Arab and foreign capitals.

Abu Nidal's group, al-'Asifah, or the Revolutionary Council of the Fatah Movement did not pursue a course of bloodshed until after the Syrian army intervened during Lebanon's civil war. In June 1976 the Syrian army intervened on the side of the Phalangist forces and against the Palestinian Resistance and the Lebanese National Movement. Before that these groups had carried out simple actions, perhaps the most important of which was one in which a BOAC FC-10 airplane was hijacked. That operation was carried out early in 1974 by the team of the late Abu Mahmud. This is the operation during which Britain was asked to renounce publicly the greatest crime committed in history, that is, the Balfour Declaration. Some people believed that this operation was carried out to retaliate for the death of Captain Mahmud, the commander of the team that Wadi' Haddad had sent to Mogadishu to hijack a Lufthansa airplane. It is believed this was the last operation carried out by Wadi' Haddad. German commandos who had been brought to Mogadishu were able to kill Captain Mahmud. However, the operation to hijack the British airplane was named after the late Abu Mahmud to commemorate the memory of a man called 'Abd-al-Ghafur. That man was referred to in the movement as Abu Mahmud. Abu Nidal had sent him to Beirut to assassinate Yasir 'Arafat, but Palestinian intelligence learned about his presence in Beirut and shot him after a furious car chase in the streets of the Lebanese capital. It is also being said that Abu Nidal's group was the group that burned a Pan American airplane at the airport in Rome in an operation that cost 32 passengers their lives.

In 1976 the Syrian command decided to intervene militarily in Lebanon because it regarded the deteriorating security conditions, which resulted from the civil war, to be a threat to Syria's security and stability. Syria thought the civil war could lead to a broad confrontation with the Zionist enemy that would be imposed on Syria at a time it did not choose. Syria's strategy in Lebanon was based on preserving a military balance between the feuding parties in Lebanon. It is from that premise that Syria pressured national forces militarily and withheld weapons from them when it became evident to Syria that the position of right-wing forces which were led by Phalangists was not superior. Except for a few extremist elements the Palestinian Resistance, which was in Lebanon in accordance with the Cairo Agreement of 1969, was always trying to stay out of Lebanon's sectarian struggle despite pressure from national forces. However, Syria found itself gradually being pulled into the struggle, particularly after the massacre at Tall al-Za'tar. That area was surrounded by Lebanese forces and shelled for 40 days until it was entirely demolished. Meanwhile, Syrian troops had prevented Resistance forces from sending assistance to the camp. After this massacre the Syrian command issued a warning to Resistance forces to withdraw from Mount Lebanon. When the Resistance refused, a military clash occurred as a result of which Resistance forces suffered grievous losses. It was normal for Syria's position--and Syria has always considered itself the protector of the Palestinian Resistance--to create a bitter feeling with most Palestinians. However, what is noteworthy is that this struggle which temporarily diminished Abu 'Ammar's power and influence, produced nothing but one organization of revolutionary violence: the Black June organization. June is the month in which the massacre at Tall al-Za'tar took place. Abu Nidal, Yasir 'Arafat's inveterate opponent, was behind the formation of this organization which began by directing strikes against Syria. The actions of Sabri al-Banna appeared contradictory to western intelligence [agents] because they assumed that al-Banna would be pleased to see Yasir 'Arafat defeated. Therefore, western intelligence agents came out with a controversial theory which stated that it was Syria which was behind the founding of the Black June Organization. They claimed Syria helped found this organization to give itself a reason to cut the Palestinian Resistance down to size and to bring it under control.

#### The Semiramis Operation

In September 1976 a team of four men who belong to the Black June Organization--this was the first time the name of that organization was announced--attacked the Semiramis Hotel in Damascus and held a large number of people hostage. In the fighting that broke out between the armed men and forces of the Syrian army 4 persons were killed, including one of the armed men, and 34 others were wounded. On the following day the three armed men who were arrested were hanged in Damascus. At that time two attempts were made on the life of Mr 'Abd-al-Halim Khaddam, who was then the minister of foreign affairs. The minister was slightly wounded in one of these attempts, but he escaped the second attempt on his life which was made at Abu Dhabi Airport in the Emirates. However, Mr Sayf Ghubash, the minister of state for foreign affairs, was killed by mistake. These two attempts were followed by successive incidents against Syrian targets abroad: the two Syrian embassies in Rome and Islamabad were attacked. In November 1976 a team that belonged to Black June stormed the Jordan Intercontinental Hotel, killing nine people. According to the forementioned western intelligence theory, it is being said that a prominent Syrian personality was behind the attempt to get rid of 'Abd-al-Halim Khaddam. However, that allegation was never proven.

Almost 1 year after breaking with Fatah, Sabri al-Banna had a disagreement with Naji 'Alush and Abu Dawud. 'Alush, the secretary general of Abu Nidal's organization broke with the organization and formed an independent one that he called the Arab Popular Movement. The reasons for the dispute which led to the separation of 'Alush are not quite clear, but it is being said that 'Alush did not agree with carrying out that much revolutionary violence. Abu Nidal, however, denies that and says that Naji 'Alush, as secretary general of the movement, was informed about all its plans. Abu Dawud, meanwhile, went back to the ranks of Fatah. Abu Nidal's disagreement with Naji 'Alush led to bloody clashes between the two organizations, and these resulted in the death of Nabil 'Aranki in Spain and a Lebanese citizen called Hisham, who was killed in Paris.

A Palestinian source told us that the wave of bloody violence which ensued and which cost a large number of Palestinians their lives was due to the fact that Sabri al-Banna felt isolated at a time when the PLO was continuing to grow. This was a time when the PLO's battles in Lebanon against the Zionist enemy were at their most vehement. It was this that made al-Banna undertake provocative operations which affirmed that he was still there on the scene and capable of taking action. However, the fact that added fuel to the fires of the bloody struggle between Abu Nidal's group and the general tendency of the organization was al-Sadat's visit to Jerusalem in 1977. Despite the organization's strong condemnation of the visit and the fact that threats against al-Sadat were made, Abu Nidal never made a secret of the fact that his objective was to use any means to prevent the organization from reaching a peaceful solution with the enemy's state, a solution that would make Arabs legitimize the existence of that state. Abu Nidal believed that the leaders of the organization could be dragged into such a solution as a result of al-Sadat's visit to Jerusalem, particularly since some elements of Fatah had been communicating with the Israeli left. It was recently reported in a periodical that is published in Cyprus that Abu Nidal made this statement regarding his determination to get rid of members of the organization. "Individuals are playing a principal role in the prevailing structures of backwardness. Experience has shown that U.S. intelligence did utilize individuals to destroy countries, direct policies and spread all kinds of destruction. The prevailing chaos would allow well-trained individuals to commit many crimes against their nations and societies. This phenomenon cannot be ignored, particularly when the matter has to do with the need to foil or thwart a plot against the nation and the country. As far as we are concerned, we started out with a national base about which all our people's groups and national tendencies agree. They agree about the need to punish all those who allow themselves to shake the hands of the Zionist enemy and enter into deals with him at the expense of the people. They agree about punishing all those who make deals with the enemy and whose aim is to settle the armed struggle and the national question. All those who have been executed are clients and traitors, and their treason is no secret to anyone."

#### A. Dual Objective

It was on that basis that Abu Nidal's group began eliminating moderate elements in Fatah. Sa'id Hamami, the PLO's representative in London was the first victim of Abu Nidal's group. It was believed that concentrating on eliminating the organization's representatives in Europe would serve a dual purpose.

--It would get rid of those who were calling for a dialogue with the Israeli left, such as Sa'id Hamami and 'Isam al-Sartawi.

--It would scuttle the organization's attempt to win Europe's support for the idea of establishing a mini-Palestinian state on the West Bank and the Gaza Strip.

Sa'id Hamami was one of those people who were enthusiastic about the idea of a dialogue with the Israeli left and with moderates in Israel. Although Yasir 'Arafat has never admitted that he gave the green light for such contacts, few people believe that Hamami would have acted on his own and against the wishes of the organization's leaders. However, it is believed that it was Sa'id Hamami who thought of the idea and who carried it out. He was an attractive figure and a moderate thinker who attracted into his circle numerous British political figures and British journalists because of his openness, eloquence and excellent command of the English language. He is a graduate of the College of English Language in the University of Damascus, and he is very fond of English poetry. This has helped him attract a group of intellectuals who were surprised to see a Palestinian revolutionary recite from memory the poetry of major British poets. These contacts gave him easy access to all the British media, and he was seen regularly on British television.

It was not strange then for Mosad to take note of Hamami. In 1973 it placed him on a list of Palestinians it wanted to eliminate. (Louis Eiks), editor of the English language FALASTIN AL-HURRAH [Free Palestine], which is published in London, and Palestinian physician Ghadah al-Karmi were also on that list. But the special bureau of British intelligence found out that an Israeli assassination squad was in London to eliminate the three individuals, so two men from the special bureau asked Sa'id Hamami and Louis Eiks to lunch and told them about the Israeli plan. At the same time the British government warned the Israeli government that if Mosad were to begin killing people in the streets of London, the British government would expel all members of the Israeli Embassy from the British capital. As a result of that warning, the Israeli assassination team was withdrawn.

Among the reasons that made Israel place Hamami on an assassination list is the fact that that year--1973--Hamami had begun making his contacts with the Israeli left. In that year Sa'id Hamami published two articles in THE TIMES, which is published in London, suggesting that there be mutual recognition between the organization and Israel. Shortly thereafter Uri Avneri initiated contact. Avneri is the Israeli leftist who was originally Menahem Begin's colleague in the terrorist Irgun gang. Several meetings were held between Hamami and Avneri, and Avneri said later that he had met with Hamami more than 20 times and talked with him on the telephone hundreds of times. Their meetings produced an agreement to establish the Israeli-Palestinian Peace Council. Western sources say that it was through Hamami and Avneri that 'Arafat sent Yitzhak Rabin a message saying that he was prepared to recognize Israel if Israel was prepared to recognize the PLO as the sole legitimate representative of the Palestinian people, but Rabin refused.

Early in 1978 Sa'id Hamami found out from Palestinian intelligence that an assassination team affiliated with Black June was in London. But he did not think that this team was after him; he rather thought it was after 'Adnan 'Umran, Syria's

ambassador in London. This was because an explosive device had been detonated in an automobile that belongs to the Iraqi Embassy; it had been intended for the Iraqi ambassador. A short time before that two Syrians had been killed. Hamami called 'Adnan 'Umran to warn him, but on the following day Hamami was killed in his office. An armed man came into the office, shook his hand and then shot him. Palestinian intelligence sources mentioned that Hamami's name was not the first name on the assassination list. His name was the third one on the list. The first name on the list was that of 'Isam al-Sartawi who was called 'Arafat's traveling ambassador in Europe. The second name on the list was that of a Palestinian writer whose identity has not been revealed.

Black June's operations are military in nature. Briefly described, these operations consist of a close range attack with a weapon known as a WZ-63. This is a large, 13 inch machine gun that can be used with one hand. However, when its barrel is pulled out, the weapon turns into a small self-contained machine gun whose operation would require both hands. This weapon is usually issued to tank commanders in the Iraqi army. It was this fact that led some people to allege that Iraq was the source of Black June's weapons. That was before Abu Nidal and his group were finally expelled from Baghdad last November. Because use of this weapon recurred in Black June's operations, that weapon became the group's trademark. Any operation in which such a gun was used was immediately attributed to Abu Nidal. On 15 June such a weapon was used in assassinating 'Ali Nasir Yasin, the organization's representative in Kuwait. It was also used on 3 August 1978 to assassinate Mr 'Izz-al-Din al-Qalaq, the organization's representative in Paris. Mr al-Qalaq's colleague, Hamad 'Adnan who was killed on the same day, was killed by a hand grenade, a method that differs from Black June's mode of operations.

#### The Organization Takes Action

A Palestinian source admits that at first the PLO failed to confront the activities of Abu Nidal. The source said that the organization went so far as to accuse Zionist elements of assassinating Sa'id Hamami, even though the identity of the murderers was known to it. It has been established that the organization tried but failed to catch Abu Nidal, even though a Palestinian source did deny that. That source said that numerous Palestinian officials had opposed such a measure until recently because of the old family or personal ties they have with Abu Nidal. According to that source, these are the ties that still control Palestinian society. These ties still constitute one of the most important political ingredients [for Palestinians]. It has also been established that British intelligence was willing to cooperate in the assassination of Sabri al-Banna. It was at least prepared to look the other way if he were assassinated in Britain. In 1979 Abu Nidal suffered a heart attack, and he required open heart surgery which could not then be performed in Iraq. He was transported on a special airplane to London after a special diplomatic passport was issued to him. A strong security team of Iraqi intelligence offices were sent with him to protect him during his stay in the London Clinic. At that time British intelligence suggested to the PLO that if Abu Nidal were to be killed during that visit to Britain, the murder would not be seriously investigated and many questions would not be asked. However, the organization did not try to assassinate him because such a measure would have produced a massacre at the hospital due to the tight security measures that were set in place around Abu Nidal. In 1982 a Palestinian source said that the organization had really wanted to get rid of Abu Nidal but that the Iraqis had turned the hospital into an armed stronghold.

The organization took no action until after the death of 'Ali Nasir Yasin, its representative in Kuwait. That was 6 months after the death of Sa'id Hamami. The organization accused Iraq of protecting the perpetrator, and it asked that he be turned over to authorities. But the Iraqi government refused. That caused the organization to retaliate against Iraqi targets: a car belonging to the Iraqi Embassy in London was attacked with hand grenades; the Iraqi Embassy in Paris underwent an armed attack; and the Iraqi Embassy in Karachi underwent an attack similar to the one that was staged in Paris. As a consequence of that there was a retaliatory attack on the PLO office in Islamabad. Four persons were killed during that attack.

#### Why Did He Succeed?

The question that is being raised now is why did Abu Nidal's operations succeed? There are several reasons for that; perhaps the most important of them is the fact that Abu Nidal was receiving financial aid every year. It was estimated that that financial aid amounted to 11 million dollars. Abu Nidal was receiving 10 million dollars from Iraq and 1 million dollars from Syria. These are the two countries to which he turns, depending on changes in circumstances and interests, as will be mentioned subsequently in this investigative report. Abu Nidal turns to these two countries despite the overt hostility he had at the outset for the Syrian regime. Among the reasons mentioned by a spokesman for Abu Nidal's group was the sympathy afforded that group by leftist members of Fatah, particularly Abu Dawud who had returned to the ranks of Fatah. It seems that among those sympathizers was Ghazi Husayn, the organization's representative in Vienna. Mr Husayn was arrested by Austrian security authorities in Vienna Airport as he was talking with two men who had just arrived to Vienna. The two men's bags were filled with weapons and ammunition. Because of the close relations between Kreisky's government and the organization, Austrian security authorities deported the three men. The organization strongly denied any involvement in the smuggling of weapons, and it denied that it had sent Husayn to receive the smugglers. The organization argued that its interests were not served by angering Kreisky, its most important friend in Europe. It is being said that Yasir 'Arafat strongly reprimanded Ghazi Husayn when [the latter] was deported to Beirut because 'Arafat was very angry with him for getting involved in the incident. It is thought that 'Arafat had Mr Husayn incarcerated for some time in Beirut. After that incident, which was exploited by Israel in the claim it made that Yasir 'Arafat was about to revive the Black September Organization, Yasir 'Arafat ordered an investigation into the backgrounds of all the organization's representatives abroad to ensure that they were conforming members of Fatah.

Sympathy for Abu Dawud, who was in south Lebanon with his men, caused greater anxiety in PLO circles. Therefore, Khalil al-Wazir, [alias] Abu Jihad, the commander of the organization's forces, decided to terminate Abu Dawud's group in the south at the time that he established what became known as Squad 17. That squad, which was established to protect organization officials, can be called an anti-terrorist squad. Abu Jihad took this measure because he believed that Abu Dawud's group was trying to destroy the cease-fire agreement between Israel and the organization. That agreement was concluded under the auspices of the United Nations after Israel's first invasion of south Lebanon in the spring of 1978. In the attack that was led by Abu Salih, several men from the resistance who supported Abu Dawud were killed, and nine were captured. This led to armed clashes

between the two parties in July 1978. In al-Badawi camp in particular artillery, mortar and Katyusha rockets were used in a battle that as usual claimed the lives of over 20 civilians. In the summer of that year (1978), Abu Nidal was officially expelled from Fatah, and he was sentenced to death. Prompted by his government, Mr Muhammad Yazid, Algeria's ambassador in Beirut, had tried to stop the feud between Fatah and Abu Nidal's group. After meeting with Yasir 'Arafat and Sabri al-Banna, an agreement for a truce was reached, but that agreement did not last long.

It is to be noted that Abu Salih, one of the dissidents in the recent division in Fatah, was the military commander who had put down Abu Dawud's rebellion in south Lebanon, even though, like Sabri al-Banna, he comes from the principal leftist tendency in Fatah, as we've indicated in the first installment of this investigative report. The hostility between al-Banna and Abu Salih had peaked following the division of the left in Fatah into a group that opposed the slogan of a national authority and a group that chose to defend the slogan and favored waiting. Besides Sabri al-Banna, the [former] group included Naji 'Alush, Abu Dawud and Munir Shafiq; the [latter] group was led by Abu Salih and Majid Abu Sharar. Subsequently there was some rapprochement between the two groups, but this rapprochement did not approach coordination.

In the following installment we will concentrate on Abu Nidal's operations in Europe. These include gunning down Shlomo Argov, Israel's ambassador in London. This is the incident that Israel used as its excuse for its invasion of Lebanon. Abu Nidal's operations in Europe also include the murder of 'Isam al-Sartawi who had claimed that Israel's Mosad had infiltrated Abu Nidal's group.

[No 217, 7-13 Apr 84 pp 36-40]

[Article by Nadim Nasir]

[Text] Kissinger on the assassination list.

London discovered a list if 100 targets with effective orders for execution.

The men of Black June Organization are cool professionals.

The second installment on international terrorism which was published in the last issue of AL-MAJALLAH outlined the political dispute that developed between the Fatah Movement, Sabri al-Banna, [alias] Abu Nidal and Palestinian leaders who joined him and then promptly thereafter broke with him. That installment included the story of Black June and the most important operations that were carried out by that organization in the Middle East and in Europe. The third installment in the series on international terrorism follows. It's been prepared by a team of AL-MAJALLAH's correspondents in some Arab and foreign capitals.

Western intelligence sources estimate that the number of operations that were carried out or planned by Abu Nidal's group, which is also known as Black June, approached 50. It has been noticed, however, that after Black June was formed in the summer of 1976, the group did not try to hijack airplanes. This is a method of revolutionary violence that was introduced and developed by extremist elements

of the PFLP and the Black September group. Sabri al-Banna explained this by saying in a press interview, "We do not believe that hijacking airplanes serves the Arab and Palestinian struggle. This is because hijacking an airplane is an action that is carried out by individuals who make up a small group. It is not an action that is carried out by the people. In addition, the struggle is undergoing change now so it can serve the direct struggle with the enemy." But Christopher Dobson, a British expert on international terrorism, who wrote a well-known book about the international terrorist Carlos, told us that hijacking an airplane was no longer as simple as it used to be in the late sixties and early seventies. He said there were several reasons for that. The most important of these was the fact that European nations had agreed to work together to fight against this dangerous phenomenon. Sensitive devices have been developed to discover weapons and explosives in airports. This has greatly reduced the chances that any hijacking operation would succeed. Countries that become involved in a hijacking operation are prepared to suffer losses in life to foil any hijacking attempt, as was the case in Mogadishu in 1973 when Wadi' Haddad's group hijacked a Lufthansa airplane. West Germany sent a team of its special troops to storm the airplane and free the hostages. That resulted in the death of the operation's commander, Captain Mahmud.

Sabri al-Banna rejects the fact that he and his group are called terrorists. This is because he considers his operations to be operations of revolutionary violence. In a press interview that appeared in a periodical that is published in Cyprus he said, "We are a growing organization that is proposing a progressive course of thought. Our organization is concerned about issues that have to do with the Arab Revolution. We are fighting on various fronts, and revolutionary violence and armed struggle constitute one of these fronts."

#### "We Will Cut Off His Hand!"

Regarding Black June's relations with organizations of international terrorism, spokesmen for the group made statements that were contradictory. In an interview with the English language magazine MIDDLE EAST, which is published in London, Sabri al-Banna said, "Regarding our position on international organizations and nations who are facing numerous contradictions, we have never interfered with an armed action. We do not interfere in the affairs of any nation. Our policy in this area is that we will cut off the hands of anyone who encroaches upon our cause." But in a more recent interview that appeared in the forementioned Cypriot publication Abu Nidal said, "Actually, it is within our strategy, our tasks and our challenges to the common enemy--imperialism, Zionism and their functionaries--to establish relations of struggle with forces that agree with us about this in theory and in practice. Anyone who fights imperialism, Zionism and their functionaries is our natural ally. Inasmuch as these forces agree and coordinate their actions, we are able to create a unified universal anti-imperialist and anti-Zionist front. It is on this basis that mutual understanding can be reached, experiences shared and cooperation and coordination effected."

If this statement which is attributed to Abu Nidal is accurate, then it may be a propaganda ploy whose aim is to show Black June as an organization whose size, influence and abilities to act on the international scene are greater than they are. After the attack that was made on a Jewish restaurant in Paris on 9 August 1982, a spokesman for Abu Nidal's group stated that Black June was not

responsible for the attack. He said that it was the International Progressive Anti-Imperialist and Anti-Zionist Movement that was responsible for the attack in which 6 persons were killed and 22 injured. The spokesman also said, "We have no problems regarding the operations we carry out. We announce our operations. The fact that we did not make an announcement about this operation means that Abu Nidal's movement is not responsible for it." However, investigations conducted by French police proved incontrovertibly that the weapons which were used in the attack were WZ-63 machine guns, Abu Nidal's favorite weapon.

In an interview with AL-MAJALLAH Christopher Dobson, the British expert on terrorism told us that after European and Japanese security authorities were able to break up international terrorist groups, which were interested in working with extremist Palestinian elements, nothing was left but a few, small, disparate groups each of which had no more than two or three members. These groups were sympathetic with revolutionary violence; they lacked organization and coordination, and they were not able to carry out provocative operations. Even Carlos's group, which carried out its last operation in 1978, has been broken up and disbanded. It is known that, as Dobson's investigations have shown, Abu Nidal's group has never worked with Carlos's international terrorist group.

#### Official Support

Western intelligence sources, however, believe that some official agencies are providing indirect support to Abu Nidal's movement. A confidential western intelligence report shows that in 1980 Abu Nidal's group sent two men to Europe in a Mercedes in whose gas tank 20 bombs and 2 machine guns were concealed. To provide themselves with a cover, the two men took along with them a disabled man who knew nothing about their mission. They claimed they were taking the disabled man to Europe for therapy. The car crossed the borders of a number of countries, but when it reached the Bulgarian border, the weapons were discovered, and the two men were apprehended and held in prison for 1 week. The confidential western intelligence report claims that British intelligence had picked up a telephone conversation between an Arab capital and the Bulgarian capital. (It is most likely that this telephone conversation was picked up in Cheltenham in Britain, the most important electronic espionage center in the west). In that telephone conversation the Bulgarian ambassador in an Arab country was asking his government to release the two men. The secret report claims that the two men were released and their weapons were returned to them. The two men then headed to Italy where the weapons were used on 9 October 1982 in an attack on a synagogue in Rome in which 1 person was killed and 34 persons were wounded. That report states that, except for specific Palestinian targets, Abu Nidal's movement gives its men abroad the freedom to choose their targets.

This statement may be corroborated by the results of the investigations that were conducted in the attempt that was made on the life of Shlomo Argov, Israel's ambassador in London on 3 June 1982. Scotland Yard sources revealed that a list of 100 names was found in the apartment of Ghassan Sa'id, a 23-year old Palestinian from the West Bank who shot Argov. Among the names on that list was that of the Israeli ambassador. Information leaked recently from Scotland Yard also affirms that Henry Kissinger, who had gone to London more than once during that period, was one of the targets of the assassination squad which was led by Nawwaf al-Rawsan, a 36-year old Jordanian with an Iraqi passport. Besides Nawwaf

al-Rawsan , the assassination squad consisted of Ghassan Sa'id and Marwan al-Banna, a 21-year old relative of Abu Nidal. This information affirms that the decision to kill Israel's ambassador in London was made only a few hours before the attempt was actually made against his life and the gun was fired. That decision was made when the squad discovered that the Israeli ambassador was a guest at a reception in the Dorchester Hotel in downtown London. The attempt on Argov's life is well known, and its details and circumstances were published in newspapers at the time. However, there are three points that deserve to be emphasized at this point.

### Three Points

The first point to be made is an attempt to shed some light on the kind of men who joined Abu Nidal's movement. Scotland Yard reports describe them as patient, professional and cool. The squad had spent months in London, learning the English language, searching newspapers, watching the diplomatic community, studying the roads, finding out about cars that belong to an agency that could be one of their targets and taking note of the license numbers of these cars. They were also acquiring weapons. Ghassan Sa'id, who shot the Israeli ambassador in the head at close range, was arrested simply because his machine gun had failed to operate when he was chased by the Israeli ambassador's guard who was able to shoot Ghassan and hit him in the head. The other two were arrested simply because Marwan al-Banna had run towards the getaway car where Nawaf al-Rawsan was waiting in front of the nearby Hilton Hotel. His haste caught the attention of the guard at the Hilton who took down the license number of the Renault in which the two men fled. A short time later the two men were arrested 8 kilometers from the Dorchester. A confidential Scotland Yard report leaked recently states that a team of Scotland Yard investigators went at 7:30 the following morning to question al-Rawsan. One of the officers introduced himself and his colleagues as Scotland Yard officers, and al-Rawsan greeted them warmly and told them, "Gentlemen, I am pleased to meet you, but what is Scotland Yard?" At the trial last year which lasted 6 weeks the three men remained calm. The prosecutor said that they were not concerned about what would happen to them personally. He said that Marwan al-Banna, the youngest of them, was the most confident and the most open. Ghassan Sa'id, who fired the gun, kept to himself and it was difficult to get anything out of him. The commander of the squad, Nawaf al-Rawsan was very confident in himself and the coolest of the three. Some sources reported that al-Rawsan had told a member of the defense team, "Israel's invasion of Lebanon, which it was claimed was provoked by the attempt on Argov's life, is the landmark event that will make history remember me."

When the three men were found guilty after a jury had deliberated their case for 4 days in an effort to determine whether the assassination attempt was political or criminal, al-Rawsan smiled recklessly even though he was sentenced to a 35-prison term. Each one of his two colleagues was sentenced to a 30-year prison term. AL-MAJALLAH tried to get a permit to visit the three men in prison, but security authorities denied the magazine's request. We have learned, however, that al-Rawsan is isolated from everyone in prison and that his conduct is good. He was provoked only once when he discovered that his prayer rug had been stolen. The strong impression which he left with prison officials who deal with him is one that terrifies them. His sternness is such that he remains cool and steadfast under conditions when the most inveterate of criminals would collapse. Prison

fficials say that al-Rawsan has a clear and unwavering idea about his mission in life. He believes he did his duty and that his mission has been accomplished.

here is no doubt that suffering and uncertainty lie behind that mask. British police found in Marwan al-Banna's apartment some poetry which we relay here from his English translation of that poetry: "The night...the universe...sacrifice suffering...conscience... Where do I live? I must determine who I am / The world is becoming a dirtier place every day / Everything in the world seems firmly established And there is only one way out for me."

The second point that is raised by the attempt on Argov's life is the fact that it became the pretext which Israel used to justify its invasion of Lebanon. Therefore, Palestinian agencies held Abu Nidal's movement responsible for that invasion, whereas others in the organization, particularly 'Isam al-Sartawi, claimed that Mossad had infiltrated Abu Nidal's movement to achieve Israel's objectives to strike the organization and to destroy it. Others in the ranks of the organization see the matter from a different perspective. They believe that Abu Nidal, who knows that Israel was waiting for an excuse to invade Lebanon and do away with the Palestinian Resistance, went ahead with the assassination attempt, determined to give Israel the justification [it wanted]. This is because Abu Nidal, those people believe, was willing to do anything to destroy 'Arafat. However, the fact that the assassination squad made the decision to attack Shlomo Argov only hours before he was shot and what is being said about Abu Nidal's men having the freedom to act on their own initiative raise doubts about such statements. These factors place the responsibility for the assassination on the assassination squad. It is assumed that the political insights of members of the squad would have been enough to reveal to them the consequences of such an operation for their people and their nation at a time when Israel was lying in wait for the organization and waiting for an opportunity to destroy it.

#### Two Feuding Capitals

The third point in this matter is the fact that the departure of the three-man assassination squad from a certain Arab capital where Abu Nidal was at the time raises questions about the nature of the good relationship that at the same time linked Abu Nidal with two feuding Arab capitals. It is known that Abu Nidal had broken with Fatah and that he had set up an alternate organization in an Arab capital that did not oppose such an action. In fact, that Arab capital encouraged Abu Nidal's move because it had joined the rejection front which was refusing any peaceful settlement with Israel that 'Arafat at the time seemed to be prepared to explore. It is being said that what shored up Abu Nidal's prestige in that Arab capital was the fact that he had uncovered an attempt to overthrow the government that was being planned by a dissident colonel. However, the 1979 Egyptian-Israeli peace treaty and the growing dangers to the area from Khomeini's Islamic revolution forced the Arab capital where Abu Nidal was residing to try to strengthen its relations with moderate Arab countries. Consequently, Abu Nidal's presence in that capital became embarrassing, and he was asked to leave. What stunned many people was the fact that Abu Nidal went directly to another capital that was at odds with the first. He did that despite the many violent operations that his group had carried out against targets in the latter capital.

Since Austria has always been a principal target for Abu Nidal's group because

its chancellor then, Bruno Kreisky, was close to Yasir 'Arafat and was trying to bring moderate Palestinians and moderate Israelis together, the group carried out an operation in Vienna in which a number of members of the Austrian-Israeli Society were killed. Abu Nidal's group claimed credit for the attack from Damascus. The group also threatened to assassinate Kreisky, and it made that threat from Damascus also. The Syrians felt that the matter had become embarrassing. They asked Abu Nidal, who had set up a training center and an information center in Syria, to leave the country. Late in 1982 Abu Nidal returned to Baghdad. The fact that he was granted permission to return to Baghdad aroused concern in the U.S. government which had removed Iraq from the list of countries that support terrorism.

Abu Nidal's return to Baghdad surprised many Europeans also. This is because Iraq had been trying to improve its relations with the West and perhaps even restore diplomatic representation with the United States. But Iraq's president Saddam Husayn clarified Iraq's position in an interview with British journalists on 26 September 1983. The Iraqi president said, "Abu Nidal, like any other Arab, is welcome at any time in Baghdad. Sometimes he stays 1 day, and sometimes he stays 1 week or 1 month. It is not one of the functions of the president to interfere in his policies. Abu Nidal is not a terrorist; he is an Arab fighter." The Iraqi president affirmed his strong opposition to terrorism, and he said, "Welcoming Abu Nidal in Baghdad is one thing and encouraging him to carry out terrorist operations as an expression of his policies is another." But it seems that the campaign which Abu Nidal had begun against Jordanian targets in Jordan and abroad caused the Iraqi president to lose his patience because of current strong ties between Jordan and Iraq. In November of last year Abu Nidal's offices on al-Sa'dun Street in Baghdad were shut down. His men were placed on a truck and ordered to leave the country. They most likely went to Syria. But it is not believed, however, that Abu Nidal himself was subjected to such harsh treatment. Western observers believe that among the reasons for deporting Abu Nidal's group was Iraq's attempt to improve its relations with the United States. Iraq does not want to embarrass President Reagan if he were to try to offer indirect assistance to contain Khomeyni's expansionism which is threatening the entire Gulf area. It has not been established, however, that Abu Nidal was deported because he had tried to contact revolutionary Iranian groups while he was in Iraq. If such contact did take place, as French security forces suggest it did after the assassination of Mr Khalifah al-Mubarak, the ambassador of the United Arab Emirates in Paris, and after the assassination of General Oveyssi the previous day, that contact took place after Abu Nidal's departure from Baghdad.

#### Why Was He Deported by Baghdad?

But it is certain that Abu Nidal's campaign against Jordan, which was caused by Jordan's rapprochement with the organization and its effort to find a peaceful solution which would result in the establishment of a Jordanian-Palestinian confederation, was one of the principal reasons for having Abu Nidal deported from Baghdad. Abu Nidal's campaign against Jordan was begun last October, that is, 1 month before he was deported from Iraq. In addition to operations to assassinate diplomats abroad, that campaign included smuggling explosives into the Jordanian capital. Security authorities were able to discover these explosives and defuse them before they exploded. The most dangerous of these explosive devices was one weighing over 50 kilograms intended for the American and British embassies [in

Amman]. That was not the first operation against American targets. In August 1983 Egyptian security authorities foiled an attempt by a team in Egypt that was subordinate to Abu Nidal's movement. That team had targeted American installations in Egypt under the pretext of enrolling in the university. Today, the American Embassy in Amman has set up in front of its entrances concrete barricades designed to look like flower pots. Yet, it was British establishments in Amman that were the principal target. This was an attempt to retaliate against the British government because it had imprisoned the three-man assassination squad which had tried to eliminate Argov. Britain imposed a long prison sentence on the three men, a total of 95 years for all three. 'Abd-al-Rahman 'Isa, a spokesman for Abu Nidal's movement in Damascus said in March 1983 that the movement may carry out measures against Britain that would put pressure on that country to release the three prisoners. 'Abd-al-Rahman 'Isa said, "Reason and logic would dictate that such revolutionaries should not stay long in prison." In May 1983 Comrade Yusuf, another spokesman for Abu Nidal's movement said, "Our position on Britain is clear. The treatment our colleagues got from the British was immoral. We cannot remain silent in the face of such racist behavior if the British government does not correct the situation. We are asking for the release of our colleagues against whom sentences have been issued that are harsher than that sentence which was issued against the Yorkshire killer." The Yorkshire killer is a deviant criminal whose name is Peter Sethcliffe; he killed 13 women over a number of years before he was apprehended.

#### Amman Announces Names

Although the Jordanian government did not name in public those who were responsible for the campaign of violence in Jordan, Mr Sulayman 'Arar, Jordan's minister of interior affairs, identified those responsible in an interview in Amman with AL-MAJALLAH. Mr 'Arar said, "I do not recall that the Jordanian government publicly accused any group in particular. But I would not be revealing a secret if I were to say that Abu Nidal's group--and we know where that group lives, who finances it and who most of its members are--was behind these incidents that were carried out in the interests of other countries and not in the interests of the Palestinian cause and, accordingly, not in the interests of any Arab cause."

Mr 'Arar said that Jordan would choose the appropriate means to respond to those people. He said that Jordan would adopt measures that do not violate conventions, laws and morals. Jordanian security authorities recently imposed very tight security restrictions around Jordan to protect the Queen of England during her visit to London, which took place on the 26th of last month. The tight security conditions revealed the anxiety that both Jordanian and British governments felt over the queen's safety. It was highly unlikely, at any rate, for Abu Nidal's group to hurt the queen personally. However, the temptation to carry out any operation no matter how simple seemed irresistible due to the fact that there were large numbers of foreign correspondents in the Jordanian capital covering the queen's visit. On Saturday, last March 24, the group succeeded in detonating a small explosive device in front of the Jordan Intercontinental Hotel. No injuries were reported from the blast which almost caused the cancellation of the queen's visit to Jordan, had it not been for the determination of the two governments not to yield to revolutionary violence.

The most recent Palestinian figure whose death Abu Nidal's group claimed responsibility for was 'Isam al-Sartawi who was by profession a heart surgeon.

Al-Sartawi took part in the civil war in Jordan as one of the members of the Resistance Forces' Ministry of War. He considered himself a fighter for peace, and he called for mutual recognition between the organization and Israel.

Al-Sartawi became 'Arafat's roving ambassador in Europe where he made numerous contacts with Israeli moderates, even though 'Arafat has never acknowledged that he authorized these contacts. Al-Sartawi was very resentful of Abu Nidal, and he knew that his name was on the top of an assassination list. In an interview with Reuters before his death Al-Sartawi said, "I am trying to have Abu Nidal put on trial as soon as a Palestinian state is established. He gave Israelis the excuse to wage an attack that had disastrous effects on Palestinians in Lebanon."

Al-Sartawi told the correspondent of an Israeli newspaper, "Sabri al-Banna is a mentally disturbed individual, and his men are the most dangerous killers. They are capable of doing anything." 'Isam al-Sartawi was killed on the 10th of April 1983, the anniversary of the day three Palestinian leaders were assassinated by an Israeli assassination squad. Al-Sartawi was shot in a hotel lobby in Portugal where he was attending an international socialist conference as an observer. Mr al-Sartawi was the first Palestinian to attend such a conference over the objections of Israel's delegation.

Despite what is being said about the fact that Abu Nidal may have established relations with Iranian revolutionary groups in Lebanon, Palestinian dissident sources indicate that he may now be prepared to consider the stage of revolutionary violence [necessary, as though to prove al-Sartawi's point that al-Banna is] "a mentally disturbed individual,\* and his men are the most dangerous killers. They are capable of doing anything." Last 10 April 1983, which is the anniversary of the death of three Palestinian leaders in Beirut--these people were killed by an Israeli assassination squad--'Isam al-Sartawi was killed in the lobby of a hotel in Portugal. Al-Sartawi was killed to re-unify Fatah on the basis of its revolutionary program.

But in another interview Abu Nidal rejects airplane hijacking operations. "The struggle is changing now and shifting toward a direct struggle with the enemy." Abu Nidal's movement began changing its tactics when it started assassinating clients in the league of villages which Israel had established to serve its own objectives. In January 1983 the movement announced that it was behind the hand grenade that was thrown on a bus in Tel Aviv and wounded 11 persons. It also announced that it was behind a bomb explosion in Jerusalem. Although the organization claimed responsibility also for an explosion in a Tel Aviv bus, western intelligence, which has ties with Mosad, was inclined to believe because of that that Abu Nidal was taking credit for operations he did not carry out for the purpose of establishing for himself a base in the occupied land. However, most Palestinians and Arabs would like to see Sabri al-Banna's operations directed against the Israeli enemy inside the country and not against brothers and fellow Arabs, regardless of their different points of view.

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\* Translator's note: In addition to a typographical error in the Arabic, it seems that there are words missing.

[Article by Nadim Nasir]

[Text] Israel's attempts to penetrate the Palestinian Resistance.

Mosad brought Shawul back to Israel in 1978 and altered his features.

The Israeli agent took part in a meeting between 'Arafat, Habash and a Soviet delegation.

Eytan destroyed 13 airplanes in Beirut Airport, had a cup of coffee and paid for the coffee in Lebanese currency.

The third installment in the series on international terrorism which was published in the past issue of AL-MAJALLAH revealed provocative details about the operation that Black June organization carried out against Shlomo Argov , Israel's ambassador in London. Among these details was the fact that British intelligence had discovered a list of 100 targeted individuals among whom was Henry Kissinger, former U.S. secretary of state. AL-MAJALLAH continues publishing this series on international terrorism, a series prepared jointly by AL-MAJALLAH's correspondents in Arab and foreign capitals. The fourth installment follows.

On the 3rd of January 1965 Israeli irrigation engineer Ari (Chizik) was inspecting a canal in which water seized from Syrian sources was flowing. He saw a bag floating in the water, and he picked it up. In the bag he found an explosive device and a detonator. He promptly notified Israeli security authorities and intelligence agencies. On the same day Fatah, which was still a small secret organization, announced that it was launching the Palestinian war against the Zionist enemy with this simple operation. Israeli authorities had heard of Fatah's plans to destroy Israel's water system. Therefore, tight security arrangements were quickly made around all water and irrigation installations in the country. Security authorities concealed from the Israeli public the fact that Fatah was carrying out operations inside Israel. It became evident to the Israelis that the guerillas who had placed the floating explosive device in the canal had come on horseback from Jordan.

The guerilla operations that Fatah launched from Jordan and sometimes from Syria continued. But these attacks which Israelis used to shrug off and not publicize were only a nuisance. Israeli intelligence believed that the Zionist state could live with that nuisance. At that time Fatah lacked military and technical experience, and it lacked highly trained men in guerilla warfare. The first operation proved that the floating explosive was a primitive device and that it had been placed in a way that made its results uncertain.

But the setback of June 1967, which occurred in 6 days, and the fact that Israeli troops occupied the West Bank, the Gaza Strip, Sinai and the Golan had a profound impact on the minds of Arabs in general and on the minds of Palestinians in particular. Palestinians realized that a traditional war fought by regular troops

against a well-armed and disciplined enemy that was supported by the United States with all its resources was no longer feasible. The enemy was fighting from the premise that if one battle is lost, the war would be lost and accordingly the state of Israel would cease to exist. Palestinians realized that such a war was no longer feasible, at least not until the Arab countries around Israel could rebuild their military force, which had been destroyed by the war, and regain their confidence in their ability to fight their own battles. That conviction which Palestinians shared with many young Arabs led to an emphasis on guerilla warfare against Israel from Jordan and Syria. This is because Fatah's principal base of military operations on the West Bank had been diminished or largely frozen after Israelis occupied the West Bank and the Gaza Strip. This was because Israeli intelligence was now being informed about the Fatah Movement. At that time the Palestine Resistance Movement consisted of Fatah and the Movement of Arab Nationalists which was headed by George Habash. That movement came to be known as the Popular Front for the Liberation of Palestine [PFLP].

#### A Jew in the Resistance

But the Palestinian Resistance Movement made two mistakes that affected the movement later. The first mistake was that it became a public organization with everyone from here and there being able to find out who its leaders were. The organization's other mistake was that it opened its doors to Arab volunteers who believed in its objectives, and these volunteers joined its ranks. Although many people argued that Arabs had the right to volunteer to fight to regain the usurped heart of the Arab homeland and although it was argued that the Palestinian Resistance needed every hand it could get to help it, it seems that that reasoning did make it possible, albeit on a very small scale, for the enemy's agents to infiltrate the movement. These people caused the Resistance many setbacks. One of those infiltrators was an Iraqi Jew whose identity is still being concealed by Israeli intelligence. He is merely referred to as David Shawul. Shawul was one of the first people to join Fatah. He rose up in its military hierarchy until he became a platoon commander. During the 6-Day War in 1967 he fought fiercely on the West Bank against the invading Israeli troops to preserve his cover for his spying mission. On the East Bank, because of his position in Fatah, he was able to find out about important decisions made by the Resistance, and he was able to learn about the lists of names of Fatah's members and members of the PFLP in the occupied land. He leaked all this information to Israeli intelligence through a team of Mosad agents who did not know Shawul's identity and whose function was to retrieve this information from places that had been agreed upon. This information enabled Israeli occupation forces to foil many of the Resistance's operations inside Israel. It enabled Israel's forces to arrest all Resistance officials in the occupied land and detain all those who sympathized with the Resistance.

Preparations had been made in advance to get Shawul out of Jordan if doubts about his true identity arose or if he obtained information too sensitive to send in letters. In 1968 Shawul believed that he had come across such sensitive information. Soon thereafter he received a letter from "his family" in Beirut telling him that his father was very ill and that his presence was needed. Three days later Shawul was in Beirut where he met one of Mosad's leaders in a safe Mosad hiding place. The Mosad leader had arrived in the Lebanese capital by way of Cyprus. Israeli intelligence sources state that Shawul continued to infiltrate

the Palestinian Resistance until 1978 when he retired and went back to Israel. There he underwent plastic surgery to alter the features of his face so that his safety from retaliatory action by Palestinians can be ensured. Shawul was given a new identity. These sources say that after Shawul's return to Israel, he became one of those calling for an understanding approach to the Palestinian point of view despite the damage he had done to their cause.

The sensitive information that Shawul took to his boss in Beirut appeared simple on the surface, but it was enough to make Israeli intelligence make a decision to begin the first stage of terrorist action against Palestinians. According to Israeli intelligence sources Shawul learned that Yasir 'Arafat and George Habash had gone on a secret visit to Moscow. After that a Soviet delegation visited Amman where numerous meetings were held with leaders of the Resistance, military leaders and commanders of platoons in the Resistance. This included Shawul himself. An agreement was reached that the Soviet Union was to arm the Palestinian Resistance and train its men. This information alarmed Israel's intelligence and government circles. The Israelis realized that having the Soviets working with the Palestinian Resistance will turn the Resistance from an improvisational movement lacking weapons, experience and training to an extremely dangerous movement whose members would be disciplined and would adhere to secrecy. Resistance officials would be able to use the most modern explosive and communication methods skillfully. They would be men who would choose their targets very carefully to ensure a major military and political effect. Israeli authorities also expected with alarm that the most important intelligence agency in the world, the KGB, would train Palestinian intelligence so it could compete with Mosad and confront it competently in the back streets of the world's capitals. Israeli intelligence, which remained nervous about this matter, did not know where and how the first blow would come. But it did not have to wait long.

#### An Aerial Blockade

On the 22nd of July 1968 an Indian priest went to the El-Al office in the center of Rome and bought three tickets to Israel. He produced his own Indian passport and two passports for his traveling companions. On the following day the airplane departed on its way to Lod Airport; it had a crew of 12, and it also had 38 passengers, including the three Indians. Twenty minutes after the airplane took off the Indians moved quickly and took over the airplane under the threat of weapons and forced the captain to fly to Algeria. This operation which was planned and carried out by the PFLP was the beginning of a plan to impose an air blockade on Israel and interrupt its vital air communications with the outside world. With the success of the operation the Palestinian Resistance was able to strike Israel's most vital and vulnerable facilities. It was also able to bring arrogant Israel to its knees when the latter agreed after negotiations that lasted 40 days to release 15 Palestinian guerillas from Israel's prisons in return for the release of the hostages. For Israel this was a shameful defeat and an intolerable humiliation. After boasting about defeating 3 Arab armies in 6 days, it yielded to the demands of 3 Palestinians, and it realized that that operation was merely the beginning.

Just as Israel had anticipated, the PFLP struck again against El-Al at Athens Airport. There an El-Al airplane was attacked with hand grenades and machine guns. On 9 February 1969 an El-Al airplane was attacked at the airport in Zurich. Attacks on Israeli airplanes, on El-Al offices and on Israeli shipping companies

all over Europe continued. The guerillas began using complex scientific methods in their operations. On 10 February 1970 there was a bomb attack on passengers of an El-Al airplane at the airport in Munich. On the same day there was an explosion on board a Caravelle airplane belonging to Austrian Airways on a flight to Israel, but the airplane was able to return to the airport and make an emergency landing. On the same day a Swiss airplane was destroyed 20 minutes after taking off on a flight to Israel. It was carrying a crew of 9 persons and 38 passengers. It became evident that the men of the PFLP had used explosive devices that were activated by low air pressure. When the airplane would reach a certain altitude, the package that was being mailed to Israel would explode. It was not clear whether the Popular Front was purposefully directing strikes against European airplanes that fly to Israel to tighten the aerial blockade against Israel or because they did not know then that postal packages sent to Israel could be sent on airplanes other than those of El-Al. Regardless of what the PFLP had in mind, these operations heightened the sense of siege and restriction in Israel itself. Israelis and others began thinking twice before taking an airplane to travel from Israel or to Israel.

The hijacking of an El-Al airplane to Algeria was the signal for Mosad to start setting down a broad terrorist plan against Palestinians. Mosad called this plan a defense plan, and it represented the first stage of the terrorism campaign against Palestinians and their leaders. This plan may be summarized by saying that it consisted of launching terrorist attacks on the camps of Palestinian refugees. These attacks would be carried out by Israel's air force and by commandos in Israel's army. Palestinian guerillas and leaders would be attacked in their havens in camps in Jordan and Lebanon in the hope that eliminating those leaders would put an end to the campaign of revolutionary violence abroad and guerilla operations inside the country. Operations by the Resistance inside Israel at that time were going on full steam ahead and realizing considerable success. On the 1st of January 1970 Moshe Dayan, Israel's minister of defense, stated in front of the Knesset that 999 guerilla attacks had occurred in Israel until that date. Israelis were claiming, and they still do, that the death of thousands of Palestinian civilians, old men, women and children, in refugee camps was due to the fact that the Resistance had sought shelter in civilian camps. But the world knew that the Resistance, which was born and raised in these camps, could not, under the prevailing political conditions in the Middle East, ensure bases for itself that were far away from the camps. However, Israel's terrorist attacks on Palestinian camps served only to increase the determination of the Popular Front to go ahead with its revolutionary violence against Israel abroad and inside the country.

#### A Counter Operation

Despite these barbaric attacks morale in Israel was very low. In an attempt to alleviate that grave situation, Mosad made plans, after the PFLP operation against the El-Al airplane at Athens Airport, to carry out a terrorist operation of a new kind. The purpose of that operation was to improve morale in Israel and provide evidence that Israel was capable of retaliating. On 30 December 1968 two Israeli helicopters flew into Beirut International Airport from the sea and dropped Israeli paratroopers who destroyed 13 Arab airplanes which burned to ashes. This operation which was carried out in front of passengers in the airport building was planned by Mosad and led by Rafa'el Eytan who became Israel's chief

building was planned by Moussade and led by (Ruphail Iytn) who became Israel's chief of staff [of the military] in the summer of 1982 when Israel invaded Lebanon. His reputation has been besmirched because of his role in the Sabra and Shatila massacres. In order to give the operation a legendary quality--the aim of the operation was to improve Israeli morale just as much as it was to convince the Arabs that the Israeli army was invincible--it was rumored that while his men were destroying airplanes that belonged to Lebanon's Middle East Airways (Ruphail Iytn) had gone to the cafeteria in the departing passengers' terminal at the airport and asked for a cup of coffee. (Iytn) drank his coffee, paid for it in Lebanese currency and calmly left the cafeteria. One of the factors that prodded the Israelis to undertake this operation in which they did not lose a single man was to provoke the Lebanese, particularly the Maronites, against the Palestinian Resistance whose activities against Israel across the Lebanese borders were growing. Perhaps this was the most important achievement of the Israeli operation in the long term. The destruction of airplanes made extremist Christian elements resent Palestinians more than they resented Israelis. This resentment grew gradually until it became the seed from which Lebanon's civil war broke out in the mid seventies.

This operation, however, did not affect the plans which the Resistance had to continue the Palestinian War against Israel inside the country and abroad. Resistance operations against Israeli targets were carried out as far as Uruguay where the Israeli Embassy there was attacked on 2 May 1970. These operations were changed, and non-Israeli airplanes were hijacked for publicity purposes, [either] to restore the name of Palestine on the map of the world or to effect the release of guerillas imprisoned in European countries. On 22 July 1970 the Popular Front hijacked a Greek Olympic airplane to force the Greek government to release a number of PFLP men who were arrested in Greece after their attack on the El-Al airplane in the airport in Athens on 26 September 1968. The Greek government refused to release the men until after the PFLP pledged that it would not use Greek soil as a staging ground for its operations. In August of the same year the front hijacked an American TWA airplane en route to Lod Airport in Israel and diverted it to Damascus where Jewish passengers were exchanged for Syrian prisoners of war who were detained in Israel. It was in this operation that the role of Palestinian women emerged for the first time. Layla Khalid was a member of the team that carried out the operation. But the Popular Front did not always succeed in hijacking airplanes and directing strikes against Israeli targets abroad: some of its operations failed, but Israel concealed reports about these operations from the public so as not to increase the confusion and the sense of restriction inside the country.

The second stage of Israel's terrorist campaign against Palestinians did not begin until after the events in Jordan. That stage of Israel's terrorist campaign began when Israeli intelligence became convinced that Resistance operations against Israel abroad and inside the country could not be eliminated unless Resistance leaders, as individuals, were eliminated. At least, those people who were planning those operations had to be eliminated. The Jordanian events which broke out in September 1970 marked the end of the stages of tension between Amman and the Palestinian Resistance which was using Jordan as its principal headquarters. Some leaders of the Resistance now admit that numerous transgressions against the authority in Jordan had taken place because of the rapid growth of the Resistance Movement and its numerous factions which still lacked total discipline. However,

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### The "Revolution's Airport" Operation

As far as Jordan was concerned, the straw that broke the camel's back was that large-scale hijacking operation that was planned and carried out by the PFLP. The hijacked airplanes were flown into al-Mafraq Airport in north Jordan where the PFLP hijacking team seized the control tower and stationed its forces around the airport runway.

At 11:50 a.m. on 6 September 1970 a Boeing 707 TWA jet was hijacked over Belgium on a flight from Frankfurt to New York. The airplane was diverted to al-Mafraq Airport which the Popular Front referred to as the Revolution's Airport. This airport was known worldwide as Dawson Airport, after British Air Force Marshall Sir Walter Dawson. This is because the British Royal Air Force, which built the airport in 1948, had named it after Air Force Marshall Sir Walter Dawson. There were 145 crew members and passengers on board that airplane.

At 1:14 p.m. on the same day a DC-8 SwissAir airplane was hijacked over France on a flight from Zurich to New York. It too was forced to fly to al-Mafraq Airport. There were 143 crew members and passengers on that airplane.

At 1:50 p.m., that is, 36 minutes later, 2 guerillas--one of them was Layla Khalid--tried to seize an El-Al airplane en route from Lod Airport to New York via Amsterdam. It was a Boeing 707 jet. But the operation failed because the Israeli guards on board the airplane were able to shoot and kill Layla Khalid's partner. Layla Khalid was overcome by the guards even though she had thrown a hand grenade at them after pulling its safety switch. The grenade, however, did not explode, and the El-Al airplane which was flying over Britain when the hijacking was attempted landed at Heathrow Airport in London. Layla Khalid was turned over to security authorities at the airport.

At 4 o'clock in the afternoon on the same day a Pan American Jumbo 747 jet was hijacked en route from Amsterdam to New York. But the captain of the airplane convinced the hijackers that the runway at al-'Aqabah Airport was not large enough for the large jumbo jet to land, so the jet was diverted to Beirut Airport where it was blown up after all passengers left the airplane.

The Popular Front set conditions for the release of non-Jewish hostages. It asked that European countries free those guerillas who were being detained in their prisons. To release Jewish hostages, the Front asked that an undetermined number of guerillas and political prisoners held in Israeli prisons be released. To avoid yielding once again to Palestinian demands to release Palestinian guerillas who were being held in Israel's prisons, Israel moved quickly to carry out a terrorist campaign against Palestinians. It arrested 450 prominent Palestinians on the West Bank, including lawyers, physicians and professors, and put them in prison. Among those who were arrested were 80 women. Israel's action was taken to mean that "If the matter has to do with hostages, we now have more hostages." There were no British airplanes among the hijacked airplanes, and the front was therefore unable to apply pressure to the government in London to release Layla Khalid. On 9 September an FC-10 BOAC jet en route from Bombay to London via Dubai and Bahrain was hijacked and diverted to Beirut where it was refueled before it was ordered to fly to al-Mafraq Airport.

On the fourth day all the hostages were released, and the three airplanes were blown up in front of world television cameras.

The Palestinians left Jordan deeply embittered. In September 1970 Jordan's prime minister, Wasfi al-Tall was assassinated in the Sheraton Hotel in Cairo. Mr al-Tall was prime minister of Jordan during those events. A group that was unknown at that time and called itself Black September claimed responsibility for the assassination. Israeli intelligence believed from the outset, according to information it claimed it had received from within Fatah, perhaps through the forementioned spy, Shawul, that Black September was merely a front behind which the activities of Palestinian intelligence were carried out. Israeli intelligence did not think that Black September had become an independent organization carrying out operations of revolutionary violence against Israelis and Arabs. That belief inspired fear in the hearts of Israel's intelligence community which had lost or almost lost the terrorist war against the PFLP's determination and the bravery of its men. The Israelis found out that they had to shore up their defenses with caution after the appearance of Black September since they were facing a dual danger. Plans were begun for the onset of a stage of official Israeli terror against Palestinians. Moussade became convinced that Resistance leaders were the brains behind Resistance operations inside the country and abroad. Israel admitted that those Resistance leaders were well educated, extremely intelligent and experienced individuals whose resourcefulness and cunning were rare. Mosad decided that the next stage of terror would be offensive in nature so as to get rid of all the Palestinian leaders. Golda Meir, then prime minister of Israel, approved of the plan, but she did wonder with bewilderment, "What will happen if we fail?"

[No 219, 21-27 Apr 84 pp 40-44]

[Article by Nadim Nasir]

[Text] Two female Moroccan guerilla fighters terrorize Lod Airport.

Mosad assassinated the PFLP's field commander in Europe.

A British journalist says, "Israel's intelligence entrusted me with the task of publishing information it had in THE DAILY MAIL."

In the past installment of the series on international terrorism--the fourth in the series--which was published by AL-MAJALLAH and compiled by the magazine's correspondents in Arab and foreign capitals, the story of the Israeli agent David Shawul was revealed. It was David Shawul who infiltrated the ranks of the Palestinian Resistance and leaked its plans to Mosad, Israel's intelligence agency. It was through Shawul that Israeli authorities began a counter terrorist campaign that targeted the activists in the ranks of Palestinian guerillas. The fourth installment of the series which was published in the previous issue of AL-MAJALLAH also dealt with Palestinian operations that had to do with hijacking airplanes flying to Israel. The fifth installment in the series on international terrorism follows.

When the Black September Organization began carrying out its operations against Israeli targets abroad and when Mosad, with the approval of Golda Meir, then prime minister of Israel, made a decision to eliminate leaders of the Palestinian Resistance whom it regarded as the brains behind international violence operations, Israel's intelligence agency was headed by Gen Tzvi Zamir who is known as Zoyka. General Zamir had succeeded Gen Meir Yamit to that position in 1969 when the Palestinian-Israeli war inside the country and abroad was at its peak. Zamir was not a professional intelligence man, but Levy Eshkol, Israel's prime minister at the time, had chosen him for that position as a compromise solution. This is because military men wanted a general to head Mosad, whereas intelligence circles wanted an agency official promoted to head the agency. By choosing Zamir, who had been serving as military attache to the Israeli Embassy in London, Eshkol satisfied the military without angering intelligence circles who came to believe that because of his lack of experience in that field, Zamir would be a mere figurehead.

Paris at that time, under the administration of Gen Charles De Gaulle who supported Arab policies, was the principal center for the Palestinian Resistance abroad. In Paris resistance men were able to carry out their operations and then disappear in the large North African community in Paris. Palestinians in Europe were very well organized, and they were receiving instructions by various means without knowing the identity of those who were responsible for planning the operations they were asked to carry out. Israel's new offensive terrorist plan was not aimed at going after those Palestinians who actually carried out operations as in the first terrorist campaign which came to be known as defensive terrorism. Instead, the Israelis wanted to reveal the identity of Resistance leaders and then get rid of them. But because of Mosad's failure to find out the identity of those persons who were working from the Middle East and not from Europe, what actually happened was that Israel's intelligence began an operation of indiscriminate assassinations against Palestinian leaders inside the country and abroad. Israel accused all those who became victims of its terrorist plan of being behind terrorist operations against Israel and against Israeli targets abroad. This is confirmed by the fact that Israeli statements made in this regard are conflicting. It turned out that Kamal Nasir, the Palestinian poet and writer who became the PLO's chief spokesman in the early seventies, was not on the assassination list of the Israeli commandos squad which carried out a raid on Beirut in April 1973 to assassinate a number of Resistance leaders. However, the Israeli killers who found Kamal Nasir in his apartment in the building where Muhammad Yusuf al-Najjar and Kamal 'Adwan lived killed him anyway even though he was a moderate in the organization and had nothing to do with revolutionary violence.

To identify those people who were masterminding Palestinian revolutionary violence abroad, Zamir sent one of Mosad's best men, whose name is Barukh Cohen, to Europe. He was sent undercover and given the name Moshe Hanan Yishay. He was to hold a simple diplomatic post in the Israeli Embassy in Brussels. His principal job, however, was to head Mosad teams in Europe and coordinate the activities of Mosad agents. One of his functions also was to meet all Mosad agents separately to evaluate them and ascertain that they were not double agents, working for Mosad and for the Palestinians at the same time. This Israeli caution reveals that members of the Palestinian Resistance had actually infiltrated Mosad. However, that infiltration was not one-sided, as Israeli intelligence sources claimed. These sources claimed they were able to buy the consciences of

some Arabs and Palestinians in Europe, and they claimed that through those people and through their own private sources they were able to get a number of those who had masterminded Palestinian revolutionary violence to come out in the open, and they were able to get rid of them.

#### Part of a Plan

But such an allegation whose aim was to cause the Palestinians to doubt themselves was only part of Israel's terrorist plan. When security authorities in Lod Airport accidentally discovered explosives in the luggage of two French young women because one of the two young women was nervous, Mosad claimed that it had received information about the operation in advance from "Palestinian sources." Despite the importance of that discovery for Israeli security authorities, a discovery that foiled a plan to blow up a major tourist hotel in Israel to put an end to tourism in that country which is a principal source of revenues for the Zionist state, what was more important for Mosad was the fact that the two French young women confessed the name of the official who had sent them to Israel to deliver the explosives to a team that had been set up inside the country. That confession, which was naturally made under torture, revealed the error committed by that official in making his identity known to the two young women.

On the 11th of April 1971 an Air France jet arrived at Lod Airport from Paris. Among its passengers were two very beautiful young women. The name of one of them on the French passport she was carrying was Danielle Rivette, 26 years old, and the name of the other was Marlene Alain Grassiere, 21 years old. One of the security men at the airport noticed that the resemblance between the two young women in features and clothing was obvious. Despite that, neither one of them spoke to the other; it were as though neither one knew the other. One of them had gone through customs and left when a security man alerted customs officials and told them of his suspicions. The other young woman's luggage was searched, and her bags were found to be full of explosives. In the meantime, the first young woman had returned to find out what had happened to her companion whom she [presumably] did not know. She was arrested, and other explosives were found in her luggage. It soon became evident to Israeli security authorities that the two French passports the two young women were carrying were forged and that the two young women were Moroccan sisters, Marlene and Nadya al-Bardali. The two sisters who had been studying in the Sorbonne in Paris had adopted a leftist approach to politics. After graduating from college, they worked as secretaries in Paris, but they aspired to greater things. Nadya wanted to become a journalist, and Marlene wanted to become an actress. One day the two young women met an Algerian who was a well-known figure in artistic circles in Paris. They met Mohammed Boudia, the director of the small (De la Quest) theater which enjoys a fine artistic reputation. Boudia promised to help them achieve their ambitions. After weeks of getting to know them Boudia asked them if they would carry packages to Israel "that would help support the Palestinian Revolution." The two young women agreed; they were provided with two forged passports, and they practised several times on how they were to conduct themselves in Lod Airport.

Mosad immediately began compiling a file on Mohammed Boudia. No one would have ever suspected that an artist like Boudia, who enjoys the respect of French artistic circles, would be connected with the Palestinian Resistance. In the fifties Boudia was a successful actor in France, but his political ideas tended to be

leftist. When the Algerian Revolution broke out in the mid fifties, he went back to his country where he fought against the French in the ranks of Algeria's National Liberation Front. In 1959 he was arrested by the French, and he remained in prison until Algeria won its independence in 1962. Upon his release he was immediately appointed director of Algeria's National Theater, but because he was one of Ahmed Ben Bella's supporters, he had to flee the country when Houare Boumedienne seized power. Boudia fled to Buenos Aires and from there went to Moscow where, according to Mosad sources, he attended a course at the University of Patrice Lumumba "to complete his studies in the revolutionary arts." After that he went back to Paris to manage the (De la Queste) theater. Mosad sources state that Boudia was not merely sympathetic with the Palestinian Revolution, nor did he merely wish to take part in some of its operations. Mosad sources state that Boudia was the PFLP's chief field commander in all of Europe. If this allegation were true, then the method he used in dealing with the al-Bardali sisters reveals an extremely serious miscalculation that revealed his identity and may have compromised the entire Palestinian network in all of Europe. It was not curious for Mosad to place Boudia's name on top of the list of persons it wanted to assassinate. However, the assassination of Mohammed Boudia was not going to be an easy operation. Many years went by before Mosad agents were able to place an explosive device in his white Renault, killing him in one of the streets of Paris. When he visited Beirut in the spring of 1973 Boudia's name was on the list of the Israeli assassination squad which assassinated three Palestinian leaders: Muhammad Yusuf al-Najjar, Kamal 'Adwan and Kamal Nasir. But it was coincidence that on that evening Boudia and 'Ali Hasan Salamah, [alias] Abu Hasan, whose name was also on the assassination list, were not in Beirut.

#### **Israeli-European Cooperation**

Prior to that date and because of De Gaulle's positions on Israel, Mosad had kept a minimum organization in the French capital. Its effectiveness, however, was not diminished because of the total cooperation that existed between it and French and European intelligence agencies in general. When the Israeli government decided to go ahead with its terrorist plan to assassinate Palestinian leaders, Zamir, Mosad's chief promptly reinforced his agents in the French capital. It was coincidence alone that gave Israel's intelligence the good reputation it enjoys in Europe's intelligence community.

In that year, 1971, Albert Schmidt, a leftist lecturer at the Free University of Berlin was a member of the rabble-rousing Bader-Meinhof gang. This gang believed that the world and its systems had to be destroyed before it would be possible to rebuild [human society] on sound democratic principles. In 1967 Schmidt had left his parents' home after an argument he had had with them over his extremist political views. He never got in touch with them. In 1971 he heard they had been killed together in an accident on the Autobahn, [Germany's highway]. Because he had disobeyed his parents, he returned home with a guilty conscience, and while going through their papers, he was stunned to discover that he was not their biological son but that he had been adopted from a Jewish family when he was a child and his biological parents were being driven away to a concentration camp. His [adoptive] parents moved to live in a remote city so as to hide the child's Jewish identity. The child who was named Albert Schmidt grew up to be a rabble-rousing, disobedient child. When he became convinced that he was a Jew, Schmidt went to the Israeli Embassy in Bonn where he told Mosad agents his

story and the story of his relationship with Bader-Meinhof. Mosad seized this golden opportunity and sent Schmidt to Israel where he attended an intense course in espionage and converted to Judaism. Then he returned to West Germany to serve as a spy for Mosad inside the Bader-Meinhof gang. Consequently, he was able to reveal to Mosad the identities of most leaders and members of the gang. Ultimately, this led to the demise of the gang after Mosad passed the information it obtained from Schmidt to West German and European intelligence. Mosad naturally claimed that this gang, as well as other international terrorist gangs like the Red Brigades in Italy, the Red Brigades in Japan and the Irish Republican Army, had close ties with the Popular Front for the Liberation of Palestine. Operations which were later carried out by the front revealed that there was in fact a relationship with some members of the gang and the PFLP.

Mosad made preparations and mobilized resources to confront the dual danger from the Popular Front and from Black September on the one hand and from the elimination of Palestinian leaders on the other. But these preparations and movements of resources were not enough to keep Palestinians from breaking the blockade that Israel had imposed on its borders. On the 8th of May 1972 a Black September squad that was led by 'Ali Shafiq Ahmad Taha, who is known as Captain Rif'at, hijacked a Sabena Boeing 707 jet. The airplane was hijacked after its departure from Vienna, and it was ordered to fly to Lod Airport where Captain Rif'at demanded the release of 100 guerillas who were imprisoned in Israel in return for freeing the hostages. Black September knew that Israel had pledged never again to give in to Palestinian demands after it had to release 15 guerillas from its prisons after the first hijacking of an Israeli airplane which was flown to Algeria. However, this did not prevent the guerillas from making an attempt to force Israel to yield once again, but the operation failed. A team of commandos disguised as maintenance workers managed to gain access to the airplane from the emergency exit door, and a battle ensued in which Captain Rif'at and one of his colleagues were killed. A woman who was a member of the hijacking team was wounded and another member of the team surrendered. Israel did not reveal the number of injured on its commandos team, but it did admit that a Jewish woman who was a passenger on the airplane had been killed.

#### A Strike at Lod Airport

While Israeli authorities were blowing their own horns and boasting about the fact that they were able to foil Black September's operation, Mosad was being criticized inside the country for its failure to anticipate the operation. While this was going on, the Popular Front struck at Lod Airport a second time, only 3 weeks after Captain Rif'at's operation. On the 30th of May 1972 three Japanese passengers disembarked from an Air France airplane that had landed in Lod Airport coming from Rome. When they reached the airport terminal and before going through customs, they opened their handbags, took out hand grenades and machine guns and attacked passengers in the terminal for arriving passengers. That attack resulted in the death of 24 persons, including the universally renowned Zionist professor, Aharon Katzir. Seventy-eight persons were wounded, and several of those later died. Those Japanese men were members of the Sekigun group which is known as the Japanese Red Army. They had volunteered to carry out this suicide mission for the Popular Front. That operation was another devastating blow to Mosad whose chief Zamir was severely criticized. Defending Mosad in front of Israel's Cabinet, Zamir said, "If Israel were to isolate itself completely from the rest

of the world, it will then be able to protect itself from such incidents. This is exactly what our enemies want: they want to isolate Israel completely from the rest of the world."

Although the first one of these two operations failed and although non-Palestinians were used in the second, these two operations heightened in Israel the sense of being restricted and unable to act. This was the case particularly after it became evident to ordinary people that Mosad, which had created around itself legendary propaganda that the Israelis themselves came to believe, was no longer able to protect Israel and Israeli targets abroad. Mosad was and still is promoting itself in a manner that simultaneously hurts its enemies or distorts their reputation. It does that by leaking carefully prepared disinformation to a number of journalists in principal press organizations in the West. When AL-MAJALLAH contacted Chapman Pincher, an expert on international intelligence agencies who was employed by THE DAILY MAIL before his retirement from that widely read London newspaper, to obtain additional information and materials for this series of investigative reports, Pincher said that he did not have any recent information on Mosad. Pincher added, "Mosad used to contact me when I was in THE DAILY MAIL so I would print the information they leaked to me, but now that I am retired, they no longer need me."

#### Two British Young Women

Suddenly Palestinian guerillas appeared to be winning when they had one successful strike against Israeli targets after the other. In August 1972 Black September struck again. Two British young women vacationing in Rome accepted an invitation from two Palestinian young men, with whom they had become acquainted, to visit Israel. The conversation that took place between them touched upon Israel's occupation of Palestine. The two young Palestinians spoke passionately about their homeland, and that aroused the interest of the two British women who expressed their wish to visit that country some day.

Before their departure the two women received a gift from the two men. It was a record player, but that record player was actually a bomb that would be activated by air pressure when the airplane reached an altitude of 25,000 feet. When the Israeli El-Al airplane climbed to that altitude, the bomb exploded, but it so happened that the package had been placed under the luggage of passengers. The luggage contained the force of the explosion which resulted in nothing more than a small hole in the hull of the airplane. The pilot was then able to fly the airplane back to Rome Airport.

The principal strike against Mosad came when a team from Black September succeeded in August 1972 in detaining the team Israel had sent to the Olympic games which were being held in Munich that year. In addition to the guaranteed publicity Black September would get from the world's television cameras, the organization's objective was to take the hostages outside Germany and to use them as bargaining chips with which they can force the Israelis to release a number of guerillas who were imprisoned in Israel's prisons. Under Moussade's frenzied pressure West German security authorities misled the guerillas and suggested to them that they would let them leave Germany with the hostages from Munich Airport. At the same time they laid a trap in the airport to kill the hijackers. It was evident from information that surfaced later that Golda Meir, the prime minister of Israel at that time, was prepared to sacrifice the lives of Israel's Olympic team for three reasons:

1. To win the support of the world which was interested then in the Olympic games in Munich and to arouse the world's resentment toward the Palestinian Resistance which had begun to win the world's sympathy.
2. To ensure that a massacre would take place on German soil that would keep the German people feeling guilty about Jews, large numbers of whom were killed during the time of the Nazis.
3. To stand firm and not to yield to Palestinian demands. This is because the departure of Palestinians with the hostages to an Arab area would have placed Meir's government in an embarrassing position if it refused to yield to Palestinian demands and exchange the hostages for guerillas who were imprisoned in Israel.

Guerillas affiliated with the Black September Organization discovered at an appropriate time the trap that was laid for them by German security authorities working with Mosad. Mosad's chief, Zamir, had arrived in Munich to ensure that the kidnappers and their hostages would not leave Germany. A battle ensued then in which some guerillas were killed, but nine members of Israel's Olympic team were also killed in that battle. The Munich incident was a blow to Zamir who immediately lost Golda Meir's confidence. Mrs Meir appointed Gen Aharon Yariv special assistant to Zamir on terrorist affairs. At the same time she doubled Mosad's budget. Mrs Meir informed the two men that she wanted "a bitter, brutal and merciless war in the back streets of Europe and the Middle East." That statement signaled the start of the campaign to eliminate Palestinian leaders. That campaign took no one in Israeli intelligence circles by surprise. Morale among the Israeli people was such that more incidents like that would have been intolerable.

It was natural for Yasir 'Arafat to be Mosad's principal target. But senior Mosad officials later claimed that Yasir 'Arafat was not on Israel's assassination list. This claim was made after it turned out that getting to 'Arafat would be extremely difficult because he never stayed in one place for a long time, never slept in the same bed for two consecutive nights and never formed routine habits or actions that would help one get to him. Those people claimed that the reason why 'Arafat was not on an assassination list was due to the fact that he was a politician who represented continuity. Getting rid of 'Arafat could mean that a more radical man might replace him. But for the other leaders, however, particularly those who were behind Palestinian revolutionary violence, and those who directed a highly professional organization, the matter was different. This is because they were highly trained technicians who were very resourceful and imaginative. Their capabilities were the key. If it were possible to get rid of them, a gap would develop, and it may not be easy to fill that gap.

#### Random Assassinations

Mosad's failure to reach the real leaders or most of the real leaders of Palestinian revolutionary violence made its officials falter and assassinate any Palestinian leader who was an easy target. In the spring of 1972, that is, before the Munich incident in August, Ghassan Kanafani, a well-known Palestinian intellectual, poet and novelist became the first victim of Israel's assassination campaign. Kanafani was a friend of numerous foreign journalists who found him to be a moderate spokesman for Palestinians. Israeli agents placed an explosive device

in his car, and when he turned on the ignition in his car the following morning, the device exploded killing him and his 17-year old niece who was a passenger in the car with him. Six weeks later, that is, on 25 July 1972, Bassam al-Sharif, Kanafani's natural successor as spokesman for the Popular Front opened a package that had been mailed and delivered to his home. The package exploded and al-Sharif lost one of his eyes and damaged the other. Israel accused the two Palestinian victims of being members in the Central Command of the Popular Front. It accused Kanafani of assisting in planning the Lod operation which was carried out by the three Japanese nationals.

After the Munich incident Mosad decided to concentrate on Palestinians in Europe who masterminded operations. For that purpose it established a special assassination unit that operated under the supervision of Mosad's special operations branch. The assassination unit formed murder squads which relied on Israeli mercenaries, on Israelis living in Europe and on European Jews who would become involved in those terrorist activities outside their countries only. Working with the Israeli army Mosad also began making a plan for assassinating a number of Palestinian leaders in Beirut. At the head of the list was Muhammad Yusuf al-Najjar, who was considered by Mosad the actual chief of Black September; Kamal 'Adwan, who was considered al-Najjar's assistant in Black September's activities; and 'Ali Hasan Salamat, who was determined by Mosad to be chief of operations in Black September. 'Ali Hasan Salamat was the son of the late Hasan Salamat whose command had been blown up by the Haganah on the shores of Palestine during the 1948 war. He was the most important of the three targets because Mosad held him responsible for the Munich incident. Mosad thought he was the person who had transformed Black September into a highly professional and highly disciplined organization. But Mosad knew that he would be a difficult target. He was intelligent and cunning, and he did not stay long in one place. He did not follow any pattern or routine in his life that would make catching him easy. He went nowhere unless he was accompanied by his special guards.

Although taking action in Beirut was more difficult for Mosad than taking action in Europe where Resistance leaders who represented the organization became more likely targets, after Mohammed Boudia's involvement with the organization was revealed, action in Europe required a large measure of caution and careful planning so that Mosad's role in the alleged assassinations would not be exposed. When the first victim of Israel's terrorist campaign against Palestinians in Europe fell with the assassination of Walid Zu'aytar in Rome, the mercenary killers were able to flee and return to Israel to receive their large rewards without the Italian police discovering anything about who they were.

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[Article by Nadim Nasir]

[Text] Israeli terrorism killed the editor-in-chief of FALASTIN AL-THAWRAH [The Palestinian Revolution].

Mosad hires mercenaries to assassinate Palestinians.

An Italian journalist helped in the assassination of Mahmud al-Hamshari.

In the fifth installment of the series on international terrorism which was published in the past issue of AL-MAJALLAH, we related a chapter [in the story] of terrorist operations organized by Mosad, Israel's intelligence establishment, in response to the operations of violence that were carried out by the Palestinian Black September Organization. Most of these operations focused on hijacking airplanes on flights to Israel. Besides, time bombs were placed on these airplanes. This is what has been called the war between Israeli terrorism and Palestinian revolutionary violence. AL-MAJALLAH concludes this series, which was compiled by its correspondents in some Arab and foreign capitals, with this installment. The sixth and final installment of the series on international terrorism follows.

Israel feared that its terrorist plan against Palestinian leaders in Europe might become known, particularly if European security authorities were to arrest one of the Israeli killers. Ever since it was founded the Zionist state has been claiming that it was a democratic country that adhered to international conventions and defended them. Israel always tried to justify its savage conduct in the occupied areas and against Palestinians abroad by arguing that its actions were self-defense measures to ensure the security of its borders. If Israel's role in any terrorist operation in Europe were to be exposed, that would subject Israel's government to considerable embarrassment, and it would raise doubts about its commitment to international conventions and the territorial inviolability of other countries. If the Palestinian Revolution or factions of that revolution are justified in their pursuit of revolutionary violence as one of the methods by which the rights of the Palestinian people can be regained and the Palestinian identity can be kept alive, then Israel, which is a member of the United Nations and which recognizes all international conventions, will be blamed by its friends and condemned by the rest of the world's countries. For this reason Mosad was very careful in laying the plans for assassination operations and in choosing the members of murder squads. These people were chosen from among former Israeli paratroopers and other elements. Each squad was trained separately to carry out one terrorist operation. The squad would carry out its operation and return immediately to Israel. Members of the murder squads were not officially affiliated with Mosad. They had been hired as mercenaries to carry out a certain mission for which they received a large fee. But it was Mosad's agents in Europe who served as the common denominator in all assassination and sabotage operations. They were the ones who pursued the victim, observed the victim's actions and gathered information on the victim until a pattern about his daily routine became evident. They were the ones who drew up the plan for the elimination of that victim, and they were the ones who brought the murder squad from Israel. Mosad agents were usually supported by a support team of Israelis living in Europe or by European Jews who knew the ins and outs of the city where they worked. Members of a murder squad did not know the names, identities or addresses of Mosad agents. Thus, if one of the killers were to be arrested, he would not be able to lead police to the agents responsible for the operation no matter how much pressure was applied to him. Consequently, Israel would be able to deny any relationship with the assassination incident.

Walid Zu'aytar

At 10:30 p.m. on 16 October 1972 Walid Zu'aytar returned to the building where he lived after visiting an Italian friend. Zu'aytar was a Palestinian intellectual who had lived in Italy for 16 years and earned the respect of Italian

intellectual circles. He lived modestly because his financial resources were limited. He earned his living working as a translator at the Libyan Embassy in Rome. Mosad, however, regarded him as the chief of Black September's operations in Italy. Israel regarded him as the one responsible for the record player explosion in the El-Al airplane in August 1972--see the fifth installment of this series--and Mosad placed his name on top of the assassination list. As he entered the building where he lived, Zu'aytar did not notice the 125 Fiat that was parked in front of the building. There was a young woman and a young man in the car in a compromising position. Zu'aytar may have noticed the two people, but he did not pay much attention to them because such scenes are common in the West. But it has become known, however, that this tactic is the trademark of a Mosad operation because the presence of a young man and a young woman in a car at a late hour at night does not attract attention, whereas the presence of two men waiting in a car night or day would attract the attention of many people.

As soon as Walid Zu'aytar entered the building, two gunmen using Beretta-22's shot 12 bullets in his body. The Beretta-22 is the preferred weapon of Mosad's killers. Mosad had developed special bullets for that gun. These bullets contain less explosives, and that muffles the sound of the bullet and reduces its force. Thus, if such a bullet were used against hijackers inside an airplane and if the bullets were to miss their target, they would not necessarily pierce the body of the airplane. The third purpose behind developing these bullets was to ensure that the victim would be shot at close range to ensure his death. Killers recruited by Mosad are professionals who can hit their target from a distance. Despite their skillful marksmanship a victim shot from a distance may only be wounded and may recover from his wounds. Therefore, Mosad imposed that kind of bullets on its killers so they would not be tempted to shoot their victims from a distance because Mosad officials knew that a bullet shot from a distance may not hit the victim.

The two killers ran outside the building, got in the parked Fiat, and the car sped out of the area, almost colliding with a mini-bus on the street. At a distance of 250 meters the four switched to another car that was parked on a side street. They sped away in that car to a safe hiding place in an elegant suburb of Rome. In a matter of days the killers had gone back to Israel where they received their large financial rewards.

However, the assassination of the second victim on the Israeli assassination list was not so easy. Mahmud al-Hamshari, the organization's representative in Paris who was accused by Mosad of being Black September's representative in that city, was a cautious man who went nowhere without guards. After the death of Zu'aytar he became more cautious, increasing security around his apartment and around the building where he lived in Paris. Mosad agents concluded that an attempt to shoot al-Hamshari would result in a battle with his guards in which one of the members of the murder squad could be hit or arrested. Such a battle would show that Israel was behind the operation. Mosad's concern with getting al-Hamshari was greater [than its concern was with getting Zu'aytar] because it was believed that al-Hamshari was higher than Zu'aytar in Black September's hierarchy. Therefore, a different plan to assassinate him was prepared in which the assistance of Mosad's technical division was sought.

After Zu'aytar was killed, an Italian journalist contacted Mahmud al-Hamshari

and asked him to set an appointment for an interview. Such a request was not unusual to al-Hamshari who was used to speaking with European journalists about the Palestinian cause. The two men agreed to meet on a specific day, and the Italian journalist said that he would contact al-Hamshari as soon as he arrived in Paris from Rome. At the same time residents in the building noticed that a plumber had climbed on the pipes outside the building and had begun working on them. His presence did not arouse anybody's interest. But that plumber was actually an engineer affiliated with Mosad's technical department. His attention was not directed to the pipes, but rather to the telephone wires that ran parallel to the pipes. What the plumber did in the next two days was damage the telephone line in al-Hamshari's apartment. Then he connected the telephone line with a switch that was set up inside a closed truck that was parked near the building. Mosad agents would thus be able to receive any telephone call between al-Hamshari and the General Telephone Exchange. When al-Hamshari noticed that his telephone was not functioning properly--this was the damage done by Mosad's agent--he contacted the General Telephone Exchange, and he asked that someone be sent to repair his telephone. Al-Hamshari of course did not know that he was talking to a Moussade agent in the switch that was set up in the closed truck that was parked near his home. He was told that an engineer would go to his apartment to fix the damage on the following morning.

#### An Explosive Device in the Telephone

At the set time the engineer knocked on the door of al-Hamshari's apartment. In front of al-Hamshari and his guards he disconnected the base of the telephone and calmly proceeded to repair it. What he did was place an explosive device in the base of the telephone. When Mosad's agent finished his work, he said goodbye to everybody and left. Al-Hamshari was waiting for a telephone call at home from the Italian journalist who had presumably arrived in Paris. Fortunately, al-Hamshari's wife and daughter had gone out to run some errands. When the telephone rang, al-Hamshari himself went to answer the telephone. The caller asked, "Are you Dr al-Hamshari?" When al-Hamshari answered affirmatively, he heard a deafeningly sharp screeching sound on the telephone line. This was followed by an explosion that tore up the apartment. Mahmud al-Hamshari survived the explosion long enough to tell French police about the sharp screeching sound that had activated the explosive device planted in the telephone by Mosad's agent.

Mosad continued to eliminate Palestinian leaders as well as their sympathizers. On the 24th of January Husayn 'Abd-al-Ghafur, who was accused by Mosad of being Black September's representative in Cyprus, returned to his room in the Olympic Hotel in Nicosia. He got undressed and sat in bed reading. After a while he turned off the lights and went to sleep. At that instant an explosive device that had been planted in his room was activated by a remote control device, and he was killed instantly. When he was replaced in Cyprus by Ziyad Mushahi, Mushahi too was killed in almost the same manner. As soon as he turned off the side light in his room, a device exploded and killed him. In the meantime, Mosad had killed Dr Basil al-Qabisi, an Iraqi national who was a professor at the American University in Beirut. Dr al-Qabisi was sympathetic to the Palestinian Resistance and had been accused by Mosad of being the one responsible for supplying Black September officials in Europe with weapons. He was also accused of being the one responsible for setting up the communications system between those men and their command in Beirut. On the 6th of April al-Qabisi was visiting France. While

walking on Eglise de la Madeleine Street, two Mosad agents came out of nowhere and fired the bullets in their Beretta 22's in his body.

But the principal strike that was carried out by Mosad against Palestinian leaders did not take place in Europe, but rather in Beirut. This operation was called the Fardan operation, and in it Mosad tried with one strike to get rid of the largest number of Palestinian leaders. Since it was not possible to rely on Mosad agents in Beirut lest they lose their cover, Mosad decided to work with the Israeli army in organizing a commando operation in Beirut. In that operation all Resistance leaders who could be found would be killed. The commandos would then withdraw, and Israel would claim that the Resistance leaders were killed as a result of an armed internal struggle among factions of the organization. However, the resistance that Mosad's commando team encountered from some of the officers of the Palestine Liberation Army and the casualties from among the Israeli invaders forced Israel for the first time to acknowledge its responsibility for assassinating Palestinian leaders. Preparations for that operation had been underway for months during which Mosad agents in Beirut had observed the comings and goings of Resistance leaders and gathered information which had to do with their addresses and their habits. On the 6th of April 1973 five men and a woman arrived in Beirut on different airplanes coming from London, Rome and Paris. These people were Mosad agents, and they had come to Beirut with false passports, three of which were British. The team's instructions--and all members of the team had visited Beirut before--were to behave like ordinary tourists and to use their cover as tourists to study roads and beaches. They were to become as familiar with them as a local taxi driver would be. When Mosad's team arrived in Beirut Airport, each one of them separately rented a car either from Avis or Hertz. Their primary task was to ascertain the safety of the four hideouts that Mosad agents living in Beirut had rented so they could hide out in them if the operation failed or if Mosad's invading commando team had to stay behind in Beirut. When they familiarized themselves with the streets and beaches, the visiting Mosad team sent a telegram to Paris from the central post office in Beirut stating that everything was ready.

#### A Landing in Beirut

At 1:30 a.m. on the 10th of April 1973 six Zodiac rubber cutters slipped into shore without using their engines. The boats were carrying 30 men in civilian clothing, and some of the men wore hippie-style clothing. Most of these men were commandos, and some of them were military intelligence officers. One of the cars that was rented by Mosad's team was parked near the deserted beach. A man and a woman were in the car, but they were really watching the sea waves closely. The presence of two lovers in that dark spot did not attract anyone's attention. When they sensed that the rubber cutters were approaching--these cutters had been lowered and sent to the shore by an Israeli warship that was off the coast--they made the invading team know that they were there by flashing a signal. Some members of the invading commando team rode in the car that sped away to the target. The rest of the cars which had been rented by Mosad's team came to the deserted beach intermittently, one after the other, at three minute intervals. In 15 minutes the invading team in its entirety was on its way to the target.

The cars carrying the invading force passed by Beirut's entertainment district and proceeded to an intersection where the principal target was located. There

were two buildings: one of them had seven floors, and the other, which was located on al-Khartoum Street, had four. The first building was occupied by members of the Popular Front, but the second building was the building where Mahmud Yusuf al-Najjar lived. Mosad considered him the president of Black September. His deputy, Kamal al-'Adwan also lived in the same building. Kamal Nasir also lived in the same building. He was later deemed by Mosad to have been the third man in Fatah. Mosad came out with that explanation to justify his assassination even though Kamal Nasir's official position in the organization was that of senior spokesman for the organization. Mosad had hoped to find in the building 'Ali Hasan Salamah, whom it had described as Black September's chief of operations, and Mohammed Boudia, who was visiting Beirut at the time. In addition to al-Najjar and Boudia, the two men were on the Israeli assassination team's list, but they were not in Beirut that night.

When the Israeli murder squad arrived at the four-story building, they used their machine guns to kill the Palestinian guards. Then they rushed to the second floor, to the apartment of Muhammad Yusuf al-Najjar. They shot the lock on the door, rushed inside the apartment and shot al-Najjar. When al-Najjar's wife tried to protect her husband, the killers shot her too. She collapsed on top of her husband's body in front of her children. The sounds of bullets caught the attention of one of the neighbors of al-Najjar's family who came to see what was going on. The Israelis killed her immediately. Another group of Israeli killers had assassinated Kamal al-'Adwan in the same manner. When a third group found Kamal Nasir in his apartment writing an editorial for the Magazine, FALASTIN AL-THAWRAH, they shot him in the mouth. It were as though they wanted to show that their objective was to silence that free voice which used to speak for the organization. Or they wanted to show that they thought the effect of speaking the truth was not less than that of bullets.

The sound of gunshots had attracted the attention of some of the men of the Popular Front and the Palestine Liberation Army who engaged the Israelis in a battle which left a number of casualties. Therefore, the Israelis had to request helicopters to evacuate their casualties. These helicopters came from an Israeli warship off the coast. As already mentioned, the objective of that operation was to attribute the assassination of Palestinian leaders to an internal armed struggle between Palestinian factions. However, the arrival of Israeli aircraft to evacuate wounded Israelis provided clear evidence that Israel was responsible for what had happened, and Israel was not able to deny her responsibility. Israel brazenly admitted also that it was capable of pursuing Palestinian leaders on their own turf. The remaining members of the Israeli murder team had been able to return the same way they had come. That is, they used the rubber cutters to return [to the ship], and they took along with them Mosad's team which consisted of five men and a woman.

But it was the inability of security authorities and of the Lebanese army to accost this invading group and the fact that no attempt was even made to stand in their way that encouraged the Israelis to make up fanciful stories about the operation, particularly after they had to admit responsibility for it. They stated that in order to mislead Lebanese authorities about the presence of Israeli helicopters in the air space of the Lebanese capital and about the battle that was being fought around the forementioned two buildings, one of the members of the Israeli murder team contacted a Lebanese security official in the area

and told him that Palestinian factions were fighting with each other. The Lebanese official replied, "If Palestinians want to kill each other, why should the Lebanese interfere?"

When the Israeli murder squad was forced to request helicopters to evacuate the wounded and the dead, they claimed that a member of the squad had contacted the chief of police and told him that the Lebanese army would fly helicopters to find out the location of the clashes. Then he contacted the coast guard near the airport to tell them that the police would be deploying helicopters to find out the location of the fighting. Therefore, when the Israeli airplanes came, no one suspected their identity.

Mosad considered the operation a total failure because Israel's responsibility for the operation had been revealed and because two of the men it had wanted to eliminate, 'Ali Hasan Salamah and Mohammed Boudia, had escaped. As Mosad had expected that operation did not put an end to Black September. After that the organization carried out several operations that stunned the world. One of these operations was one in which a group of Soviet Jewish immigrants were kidnapped on their way to Israel. Another was an attempt to strike an El-Al airplane with SAM missiles while the airplane was landing or taking off from Rome Airport. But the police thwarted this operation. Still another operation was one in which bazookas were to be used to hit an El-Al airplane at Orly Airport in Paris. However, the rocket missed its target and struck a Yugoslav DC-9 airplane. In the meantime Mosad was able to assassinate Mohammed Boudia on 28 June when it succeeded in planting explosives in his white Renault which was parked on a street in Paris. When Boudia got in the car the explosives were detonated by a remote control device, and Boudia died.

#### The Death of Cohen

Despite their competence, neither Black September nor the PFLP was what prompted Tzvi Zamir, chief of Mosad, Israel's intelligence, to tell Golda Meir, "The reason for the success of Palestinian terrorism lies in the fact that Palestinian men are extraordinarily intelligent and capable." But the two organizations were not able to snare Israel's leaders or Mosad's leaders. In 1969 Palestinian sources had stated that the death of Levy Eshkol, Israel's prime minister, resulted from wounds he had suffered during a guerilla raid on the settlement where he lived. But the truth of that statement was not established. If that statement is true, then the Israelis managed to conceal it cleverly. On 26 January 1973 Black September was able to score a stunning victory against Mosad when it was able in a manner that still puzzles the agency to snare Barukh Cohen, the chief of Mosad operations in all of Europe. Cohen was directing Mosad operations from the Israeli Embassy in Brussels. During that month Cohen received notice from Mosad's agent in the Spanish capital asking him to meet him in Madrid. Cohen actually went to Madrid, but on the following day he was found dead with several bullets in his body. The mystery that is still puzzling Mosad and the answer to which is known only to Black September is this: how did the Palestinians know that Cohen was going to Madrid? It seems that Palestinian intelligence agencies were very powerful in Europe. Black September killed a Syrian journalist called Khadr Kanu who was a correspondent for Damascus Radio in Paris. He was found dead in his apartment with three bullets in his body. At that time it was not known that he was a Mosad agent and that he was getting paid to supply Mosad with news of Palestinian activities in Paris. But Mosad revealed later that he was actually

its agent, even though it had not trusted him completely because it suspected that he might have been planted in its ranks by Black September to provide Mosad with misleading information.

Cohen's death in Madrid and the vacancy that was created by his death resulted in the imposition of a freeze on all Mosad operations in Europe, and that was one of the reasons behind the most grievous error committed by Israeli intelligence. 'Ali Hasan Salamah still represented a sore spot for Mosad. When it received information that Salamah was in the town of Lillehammer in Norway overseeing a provocative hijacking operation of an El-Al airplane, Mosad lost its mind. It put together a murder team that converged quickly on the Norwegian town along with a support team. Based on a picture they had of 'Ali Hasan Salamah members of the team confirmed the fact that the man was in fact in Lillehammer, even though they saw him travel around the city on a bicycle. That fact was not consistent with what was known about 'Ali Hasan Salamah's ostentatious style. The Mosad team believed that the bicycle was a misleading device used by a man who was known for his intelligence, cunning and resourcefulness.

On 21 July 1973 the Israeli murder squad followed 'Ali Hasan Salamah to a swimming pool where he had gone accompanied by a Norwegian woman who was pregnant. They caught up with the two when they left the swimming pool and rode a public bus. In the evening the squad followed Salamah and the pregnant woman to a movie theater. Then when the two were on their way back to their apartment at 10:40 p.m., two men leaped out of a car that was parked near the entrance to the apartment building and fired their Beretta 22's. The man fell, and the woman fell over him weeping. Ten minutes later police were on the scene, and the victim turned out to be Ahmad Bushiki, a Moroccan waiter employed by a local restaurant. The pregnant woman was his Norwegian wife. Before too long Norwegian police had arrested most members of the murder squad and the support team. They were put on trial and different prison sentences were issued against them. In general they were light sentences, and by now all the murderers and their assistants have been released. But the fact that Israel's responsibility for the crime against a Moroccan citizen, who had nothing to do with the Palestinian Resistance, was revealed caused considerable embarrassment to the government. The stunning error that was committed by Mosad also caused considerable disappointment in its circles. The embarrassment felt by the state because its involvement in international terrorism had been revealed, and the international disdain which accompanied that revelation, led to a reduction in Mosad operations against Palestinian leaders. That reduction in operations was also helped by the PLO's tendency to try to find a peaceful solution and by 'Arafat's 1975 decision to abandon operations of international revolutionary violence.

But 'Ali Hasan Salamah continued to be a target and to be pursued by Mosad. Late in 1978 a middle-aged woman called Erica Mary Chambers, traveling with a British passport arrived in Beirut. She took up residence in the apartment facing that of 'Ali Hasan Salamah. Soon this woman became known in the neighborhood because she began taking care of homeless cats. She would spend hours near the window of her apartment painting, but she was actually watching 'Ali Hasan Salamah's apartment through binoculars.

In January 1979 a man called Peter Scriver traveling with a British passport, number 260896, arrived at Beirut International Airport. He told security authorities at the airport that he was a technical consultant for a British company. The

man stayed at the Mediterranean Hotel in Beirut and rented a Volkswagen. On the following day another man called Ronald Kohlberg, traveling with a Canadian passport, number DS-104277, arrived in Beirut. He stayed at the Royal Garden Hotel and rented a Simca car. It later became evident to Lebanese security authorities that the two names and the two passports were false. Scriver's mission was to fill the Volkswagen with explosives which he obtained most likely from Mosad agents residing in Beirut. He was to leave the car keys with Kohlberg and then leave the country with another false passport. But Erica Mary Chambers' mission was to attach stealthily underneath the car of 'Ali Hasan Salamah an explosive with a homing device that would transmit signals on a short wave. Her loitering near the car did not attract anyone's attention because she had become known in the neighborhood for her kindness and simplemindedness.

On the following day, the 22nd of January 1979, Kohlberg drove the Volkswagen which was filled with explosives and parked it on a street near 'Ali Hasan Salamah's apartment. He parked the car in a spot near which Salamah usually passed daily or several times a week. At 3:35 p.m. that day 'Ali Hasan Salamah's car passed on that road. When his car approached the Volkswagen that was fully of explosives, the explosive device that Chambers had attached underneath Salamah's car detonated the explosives in the Volkswagen. 'Ali Hasan Salamah and his bodyguards died instantaneously, and four passers-by were also killed. On that day the office of Menahem Begin, the prime minister of Israel [at that time] received a telegram from Mosad command which stated: "Revenge for Munich has been accomplished."

'Ali Hasan Salamah was killed because he had changed. Although he had never let down his guard and did not go anywhere without his guards, certain routines had become established in his life. These were observed by Erica Mary Chambers patiently and deliberately. Chambers had maintained a watch from her window until she knew the details of these routines. When routine is allowed to creep into a revolutionary's life, he then becomes vulnerable.

Israel's official terrorist campaign against Palestinians is still going on in a variety of ways. But Mosad admits that the most it can do against the Palestinians is contain the situation. Although it cannot win the war of violence against them, it has not lost that war. This assessment places Mosad in its proper position. It would be foolish to deny its capabilities which are due to devotion to service. Mosad agents are devoted to service because of the general restrictive feeling of being under siege, because of the large sums of money that are spent on Mosad operations, and because of the extensive facilities that are provided for it in the West especially by Jewish and Zionist organizations. But all this publicity with which Israel has surrounded itself is misleading. This fact was revealed on the 6th of October 1973 when the Egyptian and Syrian armies penetrated the Bar-Lev line and the Golan quite easily while Mosad agents were fast asleep.

8592  
CSO: 4404/446

EGYPT

BRIEFS

INCREASED OIL, GAS PRODUCTION--Cairo, Jun (MENA)--Crude oil output in Egypt during the first eight months of the present financial year (1983/84) totalled 25.285 million tons, compared with 22.348 tons during the corresponding period of the previous year. This was stated today by an official source at the Egyptian Oil Corporation. The source added that natural gas extracts in the first 8 months of this year totalled 20.640 million tons as compared with 16.680 million tons in the corresponding period of the previous year. Egypt signed five new oil concession agreements this year providing for the expenditure of \$152 million, said the source. The concessions are in the Western Desert, the Nile Delta and the Gulf of Suez. [Text] [NC021858 Cairo MENA in English 1807 GMT 2 Jun 84]

CSO: 4500/73

STUDENT UNION ELECTION RESULTS REPORTED

List Totals

Kuwait AL-WATAN in Arabic 10 May 84 p 12

[Text] The ballot boxes have been emptied and the votes counted in the elections for the seats of the National Federation of Kuwaiti Students on the board of directors - Kuwait Branch - with the coalition list occupying the first spot. The list won 3235 committed votes. The Free list and Free Islamic list gained second place, winning 1500 committed votes, while the Democratic Center's list was in third place with 964 committed votes. The Islamic Federation's list took fourth place, winning 832 committed votes. The Student Coalition's list took last place, with its share of the vote being 88 committed votes.

The ballot box results in the various colleges were as follows:

The ballot box in the College of Law for female students: The Coalition list took 81 votes, the Democratic Center took 48 votes, and the Islamic Federation took 9 votes. The Student Coalition's list took 2 votes, while the Free and Free Islamic list took 25 votes.

In the Colleges of Science and Engineering for female students, the Coalition list won 408 votes, while the list of the Democratic Center won 134 votes. The Islamic Federation took 59 votes, while the list of the Student Coalition won one. The Free and Free Islamic list won 227 committed votes.

In the ballot box of the College of Commerce for male students, the Coalition list won 204 votes, while the list of the Democratic Center won 105. The Islamic Federation's list won 97 votes, while the Student Coalition won 8 votes. The Free Islamic list won 106 votes. In the ballot box of the Girls' College at Kifan, the Coalition list won 719 votes, while the list of the Democratic Center won 131 votes. The Islamic Federation's list won 103 votes, while the Student Coalition won 5 votes. The Free and Free Islamic list won 257 votes. In the ballot box of the College of Education for male students, the Coalition list won 152 votes, while the list of the Democratic Center won 14. The Islamic Federation's list won 52 committed votes, and the Student Coalition's list won 8 votes. The Free and Free Islamic list won 122 votes.

In the ballot box of the College of Medicine and Medical Sciences for male and female students, the coalition list won 115 votes, while the list of the Democratic Center won 54 votes. The Islamic Federation's list won 30 votes, but the list of the Student Coalition did not win any votes in the College of Medicine. The Free and Free Islamic List won 78 votes.

In the ballot box of the College of Humanities and Law for male students, the coalition list won 511 votes, while the Democratic Center took 183 votes. The Student Coalition won 40 votes, while the Free and Free Islamic list won 236 votes.

In the ballot box of the College of Islamic Law for male and female students, the Coalition list won 197 votes, while the Democratic Center won one committed vote. The Islamic Federation won 96 votes, but the Student Coalition's list and the Free and Free Islamic list did not win any committed votes.

In the ballot box of the College of Commerce for female students, the coalition list won 208 committed votes, while the Democratic Center won 110 committed votes. The Islamic Federation won 31 committed votes, and the Student coalition took 1 committed vote. The Free and Free Islamic list won 77 committed votes.

In the ballot box of the College of Education for female students, the coalition won 442 committed votes, while the Democratic Center won 25 committed votes. The Islamic Federation won 92 committed votes, and the Student Coalition took six committed votes. The Free and Free Islamic List won 188 committed votes.

In the ballot box of the Colleges of Sciences and Engineering for male students, the coalition won 213 committed votes, while the Democratic Center won 159 committed votes. The Islamic Federation won 114 committed votes, and the Student Coalition took 17 committed votes. The Free and Free Islamic list took 184 committed votes.

#### Islamic Orientation

Kuwait AL-MUJTAMA' in Arabic No 671, 15 May 84 pp 8-10

[Text] The results of the university elections have confirmed that Islamic thought is deeply rooted in the Kuwaiti people, both as a doctrine and as a program. They also confirmed that the growth of the popularity of the Islamic orientation is evidence of the attachment of the Kuwaiti people to the Islamiyin and their repudiation of the secularists and the socialists.

The results of the election also came as a lethal blow to the throat for those who had conducted a vicious media campaign against the Islamiyin. Since the establishment of the student movement, no other group has ever had the great popularity enjoyed by the Islamiyin.

The election results also came as a response to the Kuwaiti left, which has sometimes claimed that the Islamiyin were working to kill the student movement. The number of voters increased 21 percent in comparison with last year, or by 1217 votes. This too shows the extent of the maturity of the cooperative consciousness the Islamiyin have been able to achieve in the university community. The left failed to do likewise during the days when it led the federation. At that time, only a few hundred students took part in the elections, and the general assembly was never attended by more than 300 students. How different today is from yesterday.

#### The Tranquility of the Electoral Campaign

There is no doubt that the atmosphere during the elections this year was tranquil, in contrast to the situation in previous years, when the war of rumors depleted the energies of the students and created enmity and hatred among them. Some ask why this phenomenon nearly disappeared this year, with only a trace of it remaining. So that the reader will be able to know the answer, we must clarify the following:

This year, the Democratic Center list aimed to pacify the electoral atmosphere. It thought that the more the atmosphere was inflamed, the more the Center list would lose in terms of popularity, while the popularity of the Coalition list would increase. Therefore, the Democratic Center list tried to quiet the electoral atmosphere in order to limit its own losses and the increasing popularity of the coalition list.

In past years, the members of the Democratic Center, who are proficient in the use of rumors, used this method to excite the atmosphere of the elections. Their failure to make use of it this year caused the atmosphere to be tranquil. This definitely confirms that the rumor method was the one used by the Democratic Center list.

#### The General Assembly

The general assembly was attended by more than 2500 male and female students. Thus, it is considered the biggest in Kuwait. The previous board of directors had great ability in organizing the assembly. Thus, it was characterized by the balanced tranquility and precise organization witnessed by all. The previous board allowed all student orientations the opportunity to express their special points of view. The same opportunity was granted to all male and female students.

In terms of the period of time which it lasted, this general assembly is considered to be the longest one held on the federation, association, or syndicate level. Observers of the student movement believe that the method of administering the general assembly followed by the Coalition list bespeaks both self-confidence and honesty in union activity. These qualities are lacking in the other general assemblies on the level of Kuwaiti union activity.

## The Results of the Elections

On the evening of Wednesday, 9 May 1984, all the lists were awaiting the election results close to the federation club in al-Khalidiyah. The results began to appear at 6 pm. By 9 pm, it was obvious that the Coalition list would defeat the other lists by a wide margin. It is worth mentioning that the supporters of the Coalition list began to sing with joy. Everyone, even the crowd that had come from outside the university, shared in the coalition's joy and happiness at this victory.

The results demonstrated that the Coalition list had increased the number of its supporters by 755. This amounts to 53 percent of the additional committed votes cast. The coalition list has therefore realized an increase of 30 percent in the total number of those supporting it over last year.

This increase alone is considered a great victory for the Coalition list. (See tables 1 and 2)

Table Number 1: Committed Votes for Each List Over 2 Years

Year	Number of Voters	Number of Committed	Coalition	The Lists			
				Free Islamic	Democratic Center	Islamic Fed.	Student Coalition
83/84	5888	5216	2480	1269	780	517	171
84/85	7105	6629	3235	1500	964	842	88

Table Number 2: Distribution of the Increase in Committed Votes

<u>Increase in Committed Votes</u>	<u>Coalition</u>	<u>Free Islamic</u>	<u>Democ. Center</u>	<u>Islamic Federation</u>	<u>Student Coalition</u>
1413					
<u>Increase in Each List</u>	755	231	184	325	-83
<u>Percentage</u>	53	16	13	23	- 5

As for the Democratic Center's List, its popularity fell by 0.5 percent this year in comparison with the number of committed voters who supported it last year. That is, the number of voters committed to the list this year was supposed to be more than 964. The reason for this is to be found in the noticeable decline this list has suffered ever since the appearance of the Islamic force, as represented by the coalition list.

It has been noted that the only two lists that enjoyed increasing popularity were the Coalition list, as we have noted above, and the Islamic Federation list. As for the other lists, their popularity fell in comparison with last year. The Student Coalition list in particular lost more than half of its popularity in comparison with the year before.

Democratic Center

Kuwait AL-TALI'AH in Arabic No 842, 16 May 84 p 14

[Article: "Concerning the Federation Elections"]

[Text] The elections in the National Federation of Kuwaiti Students are over, and they have left behind numerous indications and observations that deserve to be considered and analyzed. We can describe this year's electoral campaign as a contest between the list of the Democratic Center, on the one hand, and all the party sectarian lists on the other.

The sectarian party orientation led the Coalition list. It is an open secret that its leaders belong to the Brotherhood party. Since this list began its electoral campaign, the following points were clear:

1. It has spread lies and rumors and sullied the shining image of the National Federation of Kuwaiti Students under the leadership of the democratic nationalists in the period preceding the leadership of the Muslim Brothers. It launched an organized propaganda campaign against the list of the Democratic Center in which instruments of lying and calumny were used without hesitation. They justified this by saying that "War is deception."

2. The atmosphere of the elections in the National Federation of Kuwaiti Students was exploited and used for the benefit of the members of the Muslim Brothers party who will take part in the coming parliamentary elections.

Perhaps their hysterical fear and hatred for the members of the national movement in the coming elections for the National Assembly caused them to be versatile in weaving lies together and presenting deceptive analyses with the intention of distorting the image of the national elements and casting doubt on them.

3. The gaze of the students has been diverted from the devastating and continuous failure of the federation to solve their problems, which have begun to accumulate seriously. One thinks of the system of warnings, the summer course, the prohibition against hiring students, the infamous code of student behavior, the decisions to freeze the student federations, the closed branches, etc.

4. The card of sectarianism has been played in all its dangerous dimensions. The Coalition list presented itself as a sectarian alternative likely to succeed in the elections!

5. Clear and concrete support was given to the list by parties outside the university. This support was embodied in the nature of their electoral campaign, its magnitude, and the endorsement and mobilization for their platforms outside the university.

The Democratic Center campaigned against all sectarian lists and was attacked by them. It had limited capabilities, and only students worked for it. It was severely exhausted by its confrontation with organized political parties drawing their support from outside the university.

The Democratic Center was faced by insane campaigns. The sectarians wagered on the hope of diminishing support for the center in comparison with last year. Despite all this, its list was able to achieve a noticeable increase in the number of persons committed to it over last year. This increase is estimated to be about 200 votes. This kind of an increase was realized in a dangerous sectarian atmosphere, in the face of the challenge by all the political parties, and in the shadow of the Muslim Brothers' domination of one of the biggest syndicalist bodies in Kuwait. Given all this, the increase means a great deal with respect to the list of the Democratic Center, which was not able to hide its joy when the election results were announced in front of the examination hall on the evening of Wednesday, 9 April 1984. On its deepest levels, this feeling of joy expresses a conscious, nationalist student desire and strong resolution and determination to finish the walk along the way of progress with respect to the social situation and our Kuwaiti society in general. At the same time, this joy bespeaks the understanding and awareness the members of the Democratic Center list have for the significance of this increase, this year.

As for the expected increase in the remainder of the lists, it reminds one of what the Democratic Center's list says to the effect that the sectarian situation is worsening, while the religious parties cast "fire onto oil," without a care in the world for the serious results of such action and behavior.

In light of the results of the latest elections, we must give consideration to two additional points in our rapid analysis:

The first point is that of the 3200 votes obtained by the Coalition list, more than 2000 were cast by female students. That is, two-thirds of the voting block backing the Coalition list consists of female students! The other point is that the Student Coalition list suffered a noticeable decline. This means that the situation has come to be more clearly divided between the Democratic Center's list and its opposite numbers, the sectarian lists. This is especially clear because we have learned that the ratio of those voting independent to those voting in a committed fashion is very small in comparison with previous years.

In conclusion, we can say that the liberal democratic nationalists have a difficult task. They face enormous challenges that must be confronted and overcome. Although the way might be somewhat long, we have increasing confidence that the positive development that took place in the elections with respect to the Center list, though small in comparison with the final results, is an indication of progress on the road of re-establishing the nationalist role of the federation.

12224  
CSO: 4404/466

ISLAMIC PARTIES' POLITICAL IDEOLOGIES, DIFFERENCES NOTED

Kuwait AL-TALI'AH in Arabic No 839, 25 Apr 84 pp 18-19

[Article by Ahmad al-Dayyin: "An Attempt To Cast Light on the Basic Ideas and Political Practice of Two Parties: The Brotherhood and the Salafis"]

[Text] Although the parties called "Islamic" are similar insofar as they adhere to "traditional Islam", it is a mistake to look at them as if they were all alike. They have differences and exchange accusations based essentially on matters of doctrine, and they differ on various matters and subjects, the details of which can be found in the instruction books circulated by the members of these parties.

For example, the Salafis accuse the Brotherhood of "doctrinal fluidity" and of merely pretending to adopt one of the four Islamic schools. They consider them to be not the group of Muslims, but a group of Muslims (1) !

As for the Brotherhood, they base their actions on the notion that "There can be no complete community of Muslims without the thought of Professor Hasan al-Banna. His theories and instructions are essential." (2) !

In this piece, we d not want to examine closely their differences and doctrinal divisions. Rather, we will try to cast light on the basic ideas and political practice of two parties, the Brotherhood and the Salafis.

The Political Ideas of the Brotherhood

The political ideas of the Muslim Brothers in Kuwait are based on the views set forth in abu'al-A'la al-Mawdudi's work, "The Political Theory of Islam," and in Sayyid Qutb's work, "Signposts Along the Way," as well as on material contained in other publications by these two men, most of which concentrate on the theory of "divine rule." Their basic idea is that "no individual, family, class, party, or inhabitants of the state have any share in the ruling power. True ruling authority belongs to God." "No one except God has any power to legislate." "The governments that hold the reins of this state do not deserve the obedience of the people, except insofar as they rule according to what God has revealed." "Democracy is an expression of a form of government in which authority belongs to all the people... It has nothing to do with Islam. It is not correct to apply the word democracy to the system of the Islamic State."

However, the Brotherhood in Kuwait follows these basic, theoretical political ideas in accordance with considerations of practicality and self-interest. They do so in light of the experience of the Muslim Brothers in Egypt in the initial periods of the leadership of Hasan al-Banna and during the regrouping of the society during the Sadat period. This is done in a manner consistent with their stages of proselytization: definition, formation, and execution (3). Their plan of work requires the following. They must accommodate themselves, make peace, and ally with the authorities. They must operate gradually and work within the framework of existing legality! When one of their representatives in the National Assembly was a candidate, he defined his major goal as "drawing all laws from Islamic law and applying them wisely and gradually, with a clear constitutional guarantee that this will be accompanied by a complete program in preparation for the application." They justify their stand on inherited rule by saying that designation is not the problem. The ways for placing a ruler in power were known by the legal scholars."

When the parliamentary elections were held in 1981, a debate broke out in the ranks of the Muslim Brothers in Kuwait. It had to do with the question of whether or not it was legitimate for a Muslim to take part in the National Assembly elections (4).

Those opposed to entering the elections that that "According to the way of the Prophet, the Quraysh had something similar to the National Assembly of today. It was called the 'House of the Council.' The Prophet could have changed society and moved it toward Islam by entering the House of the Council, but he did not do so." In addition, they said, "proscription has been decreed by the scholars of the Call in the current age. Participation in the National Assembly consecrates a pagan system that must be changed."

However, these opponents of the elections gave in to the opinion of those who supported the idea of participating in them. The latter rejected the comparison between the House of the Council and the National Assembly, and they responded to the argument that a pagan system would be consecrated!

The Muslim Brothers entered the parliamentary elections with a number of their leading figures, members, and friends.

#### The Political Views of the Salafis

We have been able to learn about the basic political views of the Brotherhood, whose party was founded back in 1928 in Egypt, and we have seen some of the formulations of their theorists. To a large degree, it is difficult to establish the political views and practice of the Salafis. However, we shall present them as they were stated by one of their deputies in the National Assembly during the last elections.

"The basic thing in Islam is consultation. However, inherited rule is valid, because none of the pious ancestors has stated that such rule is invalid." (5)  
"We believe in peaceful methods. We do not affirm the method of extremism

and vehemence, since we do not find the ancestors speaking of such things as 'divine rule' and 'the consecration of the pagan system'...not to mention other political statements used by the Muslim Brothers!"

#### In Practice

Despite the differences in the basic ideas and political views of the Muslim Brothers and the Salafis, the two parties follow similar paths in the area of political practice.

The government's policy has been to cooperate with the so-called "Islamic" parties since they began their activities. It has done so in an attempt to benefit from them and derive strength from them in order to confront the forces of the national and patriotic opposition. It has been trying to use the Islamic parties as a tool with which to keep large segments of the popular masses away from the pathways of democratic, national activity. At the same time, the path of action followed by the leaders of these parties rests on the idea of making peace with and allying themselves to the authorities. These parties wish to work within the legal framework provided for them by the authorities in a way that serves their goals.

All this has been frankly disclosed by the magazine AL-MUJTAMA', which reveals the state of the reform society. In its issue number 380, which came out on 27 December 1977, it reported on the meeting between 'Abdallah al-Mutawwa', the president of the reform society, and the minister of social affairs and labor. The report stated: "The president of the society demanded from his excellency the minister that he focus on the need to support and back the government's actions in the Islamic direction. Only in this way could Kuwait and its generations to come be preserved and protected from destructive ideas and deviant principles with foreign links. His excellency the minister responded that the government would back and encourage the Islamic orientation."

There is no need for evidence to support the statement that these so-called Islamic parties enjoyed their golden age in the period from 1967 to 1981, when parliamentary life was suspended and freedoms were curtailed.

If we examine the political activity of the so-called Islamic parties, particularly since the mid-1970's we will find ourselves faced by the following table:

- 2 support for the measures of August 1976
- 2 distraction of the masses from the battle to preserve basic constitutional guarantees, which were targeted by the government's constitutional reforms by means of the demand for the amendment of the second article of the constitution
- 2 entry into the parliamentary elections with slogans like "fighting communism and the apostate left," in addition to the stirring up of sectarian conflicts
- 2 distracting the masses with secondary matters having nothing to do with their life, situation, concerns, and basic issues. Examples of such

secondary issues are mixing [of the sexes], chicken slaughtered abroad, etc. These parties have focused on these issues in order to hide and obscure basic matters and evade the need to take a clear stand on them.

The basic ideas and political practice of the Muslim Brothers and the Salafiyin show that these two parties are really reactionary, oppressive, sectarian parties opposed to everything progressive.

As for the membership of these two parties, it is made up largely of young people who are enthusiastically religious and emotionally reject the current political and social situation, as well as the model of the consumer society, and its values. These people have turned to religion as a path to salvation. In their interaction with these youths, the national and progressive forces must point out the ideas of a general democratic character that are in the Islamic religion. These ideas have to do with social justice, progress, and opposition to exploitation and dependency. The young people must be shown these ideas and pushed toward adopting enlightened attitudes on the issues of real life. They must be attracted to the causes of the democratic national struggle.

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Footnotes:

- (1) "The Islamic Societies in Light of the Book and the Way," Salim al-Hilali, T2, 1981
- (2) "Excursions in the Greater and Lesser Fiqh and their Sources," Sa'id Hawi, Dar al-Arqam
- (3) "The System of Dynasties and the Message of the Teachings"
- (4) AL-MUJTAMA' magazine, 24 February 1981
- (5) "The Political Report," Dar al-Khalij, al-Shariqah, 1 February 1981

12224  
CSO: 4404/466

KUWAIT

BRIEFS

KFAED AID FOR TUNISIA--The Tunisian minister of planning, Isma'il Khalil, praised the assistance provided by the Kuwaiti Fund for Arab Economic Development (KFAED) to Tunisia. He said that KFAED had so far taken part in the financing of no less than 22 development projects in Tunisia in all economic and social fields, including energy, phosphates, agriculture, sea fishing, roads, and clean drinking water. He added that since 1981, KFAED's participation in the financing of Tunisian development projects had amounted to more than 52 million Kuwaiti dinars, which is equal to 125 million Tunisian dinars. In addition, Kfaed took part in earlier projects worth about 45 million Tunisian dinars. [Text] [Kuwait AL-TALI'AH in Arabic No 842, 16 May 84 p 6] 12224

INTEREST RATES RISE--In its weekly financial report, the Commercial Bank of Kuwait announced that it had held a meeting last Sunday that was attended by representatives of the local banks. At the meeting, the Central Bank said that it did not wish to continue to provide short-term trade facilities to these banks. In view of the expectations predominating in the banking market concerning the occurrence of a liquidity shortage in the future, the opening of the business day on Monday, 7 May, was followed by an immediate increase in bank interest rates by 0.5 percent. Bank interest rates for fixed maturities continued their upward trend during the week. The interest rate on 12-month credit funds reached [figure emitted] percent on Thursday, 10 May. Subsequently, those trading in Kuwaiti dinars outside Kuwait returned to the Kuwaiti market to trade their funds there, thereby producing a noticeable decline in interest rates. [Text] [Kuwait AL-TALI'AH in Arabic No 842, 16 May 84 p 6] 12224

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LEBANON

CURRENT BALANCE, BREAKDOWN OF WARRING FORCES REVIEWED

London AL-MAJALLAH in Arabic No 221, 5-11 May 84 pp 22-26

[Article by Ilyas Harfush: "The Lebanese War Has Entered the 10th Year: What Do Syria and Israel Want from Lebanon?"]

[Text.] Lebanon entered the 10th year of its civil war the middle of last month. Just as the world's countries count their years in terms of prosperity, progress, growth of domestic income and increases in schools and universities, the years are counted in Lebanon through the numbers of the thousands of killed, wounded and disabled, the increase in age and command among the leaders of the country, the increase in the number of factions, and the growth of their roots and branches, while the nation grows smaller and dissolves. Can one say that anything of Lebanon is left to save? Can one say that among these fragmented factional groups and warring tribes a unified nation will eventually emerge which will belong to its environment, and to which its citizens will belong?

In the past 9 years, numerous attempts have been made to save Lebanon from its crisis. Most of them have taken the form of foreign initiatives, and some of them have taken the form of domestic political decisions. In spite of that, the crisis has devoured all initiatives and decisions. Three presidents have followed one another, and the crisis is continuing. President Amin al-Jumayyil cannot now find himself faced with anything to offer the Lebanese in the course of the 4 remaining years of his term other than what he has offered the past 2 years. Indeed, President al-Jumayyil is going back to the point where his two predecessors stopped, after previously trying to bypass the Syrian role, seeking the aid of the American initiative and the agreement with Israel. The point the Lebanese president has gone back to can be summarized in the point that Lebanese decisionmaking cannot be internal because there are historic facts in the area, and geography, which must be taken into account. Geography, as far as Lebanon goes, means that it lies between the two most sensitive points of polarization, Syria and Israel. Before the Lebanese government will be able to answer a question related to the desires of Syria and Israel and their interests on its territory, the Lebanese crisis is likely to continue a long time. Before the Lebanese government can assert the historic truth related to Lebanon's natural connection to the Arab region, especially Syria, every attempt to ignore this

truth will subject the government and the country to further disasters. President Amin al-Jumayyil discovered this truth after paying a great price in the regard in which the government is held and the security of the nation. With President Amin al-Jumayyil's return to Damascus and the holding of the long-awaited summit with President al-Asad, the question arises anew: What does Syria want from Lebanon? Can what the Syrians want be reconciled with what Israel is demanding in the south, so that the government can arrive at a formula which will guarantee withdrawal and restore to Lebanon its territory and unity?

### The Syrian Initiative

Friends whom the Lebanese president, Amin al-Jumayyil, and the Syrian authorities have in common admit that they are amazed at the way Damascus is running its policy in Lebanon these days. These friends, most of whom traveled the road between the Lebanese and Syrian capitals a number of times during the terms of Presidents Sulayman Franjiyah and Ilyas Sarkis, remember the style the Syrian initiative, and after that the Arab deterrent forces, was based on in Lebanon and the style that is being used as a basis today with President Amin al-Jumayyil, now that he has abrogated the treaty with Israel. They consider that the plan is the same one, and the men in charge of carrying it out the same. Just as former President Ilyas Sarkis arrived at the conviction, in the last days of his term, that no radical solution to the Lebanese crisis could take place without the agreement of Damascus, the Syrians are now giving President Amin al-Jumayyil an opportunity to learn the same lesson, after waiting for a year and a half while he experimented with other methods, embodied in the American initiative, the multinational force and the Lebanese-Israeli agreement.

The fact is that President Amin al-Jumayyil imagined that by abrogating the agreement with Israel he would be able to regain Syria's confidence in his regime and his assistance with respect to the withdrawal of foreign forces. Although President Hafiz al-Asad informed him clearly last 27 February, in their first meeting after al-Jumayyil became president, that he could not expect to receive a price for abrogating the agreement which was at the expense of Syria and the Lebanese opposition, "because the abrogation decision was a retreat from a mistake, and a retreat from a mistake is a virtue that does not have a price," he did promise him at the same time that he would work to end the armed resistance to the government, which was knocking on the gates to Ba'abda palace at that time, and "convince" Messrs Nabih Birri and Walid Jumblatt to sit down at the table of the negotiations in Switzerland which would be chaired by al-Jumayyil. The Lausanne conference was held and the great surprise from it was that its failure was the doing of President Sulayman Franjiyah, who is the closest ally of the Syrian authorities and a close friend of President al-Asad personally. It had been expected that this step of Franjiyah's would end the relationship between himself and the Syrians, since Syria was an "overseer" of the Lausanne conference. However, instead of that, Syrian officials summoned Mr Walid Jumblatt, who had directed criticism at Franjiyah for withdrawing from the "National Salvation Front," and reached an understanding with him to put a limit to his criticisms.

Following the failure of the conference in Lausanne and the return of the war leaders to Beirut, President Amin al-Jumayyil found that it would be hard to apply a minimum of resolutions related to the cease fire. A committee, described as a "higher political security" committee, was formed, representing all the parties to the conflict. The security situation fell apart in the western sections of Beirut, where factional contradictions appeared following the re-emergence of the al-Murabitun organization and the battles which took place between it and the militia of the Progressive Socialist Party headed by Walid Junblatt. The al-Murabitun is an armed organization headed by Ibrahim Qulaylat which appeared during the war and disappeared from the scene with the Israeli invasion of Beirut, as it received direct support from elements in the Palestinian resistance and at the same time enjoyed support and attention from the Libyan authorities. The internal fighting in West Beirut helped raise the issue of security in this region once again: who would be in charge of it and how would it be controlled, especially in the light of the touchy feelings the dispute might lead to, if it extended to the al-Murabitun and the Shiite AMAL movement? While questions cropped up regarding the circumstances of the sudden appearance of the al-Murabitun, talk resumed seriously about the probable return of the Syrian deterrent forces to this area, on grounds that they would be most able to preserve the security. The mufti al-Shaykh Hasan Khalid declared his "support for the return of the deterrence [forces] to Beirut, by the agreement of all the parties concerned." Agreement was reached at the same time to the withdrawal of Druze personnel belonging to the Socialist Progressive Party to the al-Shuf and the al-Murabitun movement's restitution of its offices and positions. Preparations were also made for a reconciliation meeting between Messrs Qulaylat and Junblatt in Damascus through joint Syrian-Libyan mediation.

#### The Return of the Deterrence [Forces]

In their public declarations, Syrian officials have not made any comments regarding the subject of the return of the deterrence [forces] to West Beirut. However, circles close to Damascus mentioned that "any subject which President al-Jumayyil wishes to discuss during the summit with President al-Asad will be listened to, especially if it concerns security in Beirut and in Lebanon in general." Observers consider that the subject of security in the Lebanese capital and other areas, in addition to the issue of Israeli and Syrian withdrawals, will be the most prominent of those with which the contacts between the Lebanese and Syrian presidents in the coming period will be preoccupied. The Syrian vice president, 'Abd-al-Halim Khaddam, made a number of press statements in the recent period in which he reasserted basic points related to Syrian policy in Lebanon. Among these points were that reconciliation is still the only means for ending the war, the continuation of domestic struggles in Lebanon will lead the country to ruin, Syria is opposed to the military settlement of the struggle to the advantage of any party and does not accept the formula of the victor and vanquished in Lebanon, Syrian withdrawal from Lebanon cannot be discussed as long as the Israelis are in Lebanon, and such a (Syrian) withdrawal will not occur if the Israelis realize any political or security gains as a result of the invasion. At a session in the office of the Syrian vice president in the Ministry of Foreign Affairs attended by a number of Lebanese political

personalities who are allies of Syria, one of those present asked Mr Khaddam, in the course of a discussion of Syrian views, if Damascus' position opposed to the formula of "a victor and a vanquished" in Lebanon did not in practice mean drawing out the life of the Lebanese war. The political figure, who chose his words with care, raised the memory of the role the Syrian forces played in 1976, and how that resulted in the prolongation of the crisis for 6 years, the period of former president Sarkis' term, and the opening of the door to the Israeli invasion in 1982, which cost Syria and Lebanon dearly. Khaddam replied, "Syria is standing on principles and not on persons in Lebanon. When President Amin al-Jumayyil was wrong, we helped you put pressure on him. Had it not been for this help, you would not have been able to realize the victories you are claiming, but he changed his policy. We consider this a gain for the Arab cause which is on a par with our winning a battle against Israel, especially when we appreciate the pressures to which the Lebanese president is subject within his party and his areas of influence. We consider that the goal of the formula 'victor and vanquished' is to partition Lebanon, not to unify it, regardless of the arguments that might support this policy."

In this period, the Syrian leaders are working not to cut off the lines with any of the belligerent Lebanese parties. Relations with the leaders of the National Salvation Front still exist and are good, as they are with Nabih Berri. The Syrian authorities consider that "the internal disputes among the members of the Salvation Front are something which concern them, and Syria has no relationship with them." In spite of the agreements Walid Junblatt reached with the Liberal Nationalists' Party and the Lebanese Forces bearing on security conditions in the al-Shuf and the al-Kharrub territory (which were said to have been concluded with Israeli mediation), the Syrians did not oppose them "on grounds that they lie within the context of the stabilization of the security situation." As in the days of the Syrian initiative in 1976, which the Phalange Party and its chairman, Shaykh Pierre al-Jumayyil, praised, because its goal was "to save the Christians in Lebanon," the official Lebanese delegations, most of whose members were from the Phalange Party, began visiting Damascus periodically to meet Syrian officials and hold discussions with them. In the context of the same atmosphere, the figures of advisors in the republican palace in Ba'abda proceeded to change, and new roles emerged with new missions for people who previously played the same roles in the days of President Ilyas Sarkis. Damascus' information indicates that one of President al-Jumayyil's new advisors, who is close to Syrian officials, tried, before the summit meeting between President Amin al-Jumayyil and President Hafiz al-Assad, to arrange a meeting, even if in secret, between Mr 'Abd-al-Halim Khaddam and a delegation from the Lebanese forces, and he was told that "it is still early to hold such a meeting."

Last week, on the eve of the Lebanese president's departure for Damascus to meet with the Syrian president, Hafiz al-Assad, and the holding of the summit which President Amin al-Jumayyil had been waiting for for about a month, al-Jumayyil was sitting in his office in the presidential palace with a number of his advisors, whom he had recently appointed in the course of the renewed flirtation with Damascus. President al-Jumayyil turned to one of these advisors, who had come back from the Syrian capital, and asked him "Do you believe that the chance for success with the Syrians will be greater than the

result we reached with Israel and America?" The advisor replied, "Mr President, the Syrians consider that they achieved a big victory after the abrogation of the agreement with Israel. This was the only point of concurrence between them and the National Salvation Front. I believe that if we realize that we should convince them that we are concerned about their interests in Lebanon, and our desire to distance ourselves from the stubborn current in the Forces, we will be able to gain their trust, because this trust is essential in any future relationship with the members of the opposition, especially Nabih Birri and Walid Jumblatt." President al-Jumayyil proceeded to ask "Under what conditions do you believe that the Syrians would be prepared to withdraw from Lebanon?" The answer was: "The Syrians are showing a real desire to withdraw, and they see no justification for staying, if they are guaranteed what they want. They want to play the role of the ally of the regime, not the role of the adversary. However, our responsibility, through understanding with them, will be to get the Israelis to withdraw first and to guarantee a sort of internal stability, especially in Beirut, in cooperation with the bodies they consider qualified for that."

#### Two Pressing Issues

The Lebanese president's sources indicate that there are two extremely pressing issues which Syrian officials could help the government in Lebanon transcend: the stabilization of the cease fire in Beirut and the formation of a government of national unity. As for the government, some opposition leaders, especially Walid Ju blatt and Nabih B rri, have expressed reservations in statements they have made recently regarding the formation of a government of national salvation before agreement is reached on a political program on whose basis it will function. This was the goal of the Lausanne conference. The Syrians have not declared open opposition to the positions of Birri and Jumblatt, and they have not declared support for them.

Mr Walid Jumblatt, in a speech he made in the wake of the summit between Presidents Hafiz al-Asad and Amin al-Jumayyil, declared "The current truce is a temporary one" and called for additional volunteers and further military training. In addition, Mr Nabih Barri expressed his reservations about participating in the same government with the Phalange Party. As for the Lebanese Forces militia, Mr Na'um Farah, speaking in its name, declared "It will not participate in the government in accordance with the current arrangements, on grounds that such a government will be a tool in the hand of Syria, by which it can interfere in matters which concern only the Lebanese." At the same time, hard-line Christian political circles expressed their opposition to Premier Rashid Karami's assumption of the head of the National Salvation cabinet.

People close to the Lebanese president who made contacts with Syrian officials preparatory to the Lebanese-Syrian summit say that there is an obvious desire in Damascus to "freeze" the Lebanese crisis. That can be attributed to domestic Syrian reasons and regional reasons. These people add that the Syrian leadership now feels that it is in a very strong position regarding the situation in Lebanon, for two reasons: first, the "winning over" of President al-Jumayyil and his regime, and second Israel's involvement in the south and the questions which Israelis have started to raise with their

government on the feasibility of the Israeli invasion, which has not curbed guerrilla operations inside Israel and the series of deaths of Israeli soldiers in southern Lebanon. Here, the Syrian officials point to the validity of their theory, whose basis is that resisting the invasion and making Israel pay the price for it are the right way to drive it from Lebanon, not the reaching of agreements with Israel such as that which the Americans imposed on the Lebanese government last year.

Notwithstanding this position, the Syrian authorities have not opposed Israel's security "measures" in southern Lebanon from the practical standpoint. There is much evidence to confirm Syria's agreement to such measures. This evidence appeared at the Geneva and Lausanne conferences on the Lebanese dialogue, through positions taken by 'Abd-al-Halim Khaddam, and it was confirmed in the text by which the Lebanese government announced the abrogation of the agreement with Israel, a text which received Syria's "agreement." The third section of the text of the government statement, which was issued on 5 March 1984 in the wake of the first summit between Presidents al-Jumayyil and al-Asad, states, "The Lebanese government will take the necessary steps which will result in its formulation of security arrangements and measures guaranteeing sovereignty, security, and stability in southern Lebanon, preventing infiltration across the southern borders, and bringing about the withdrawal of Israeli forces from all Lebanese territories." In this context, reliable information indicates that contacts were made with the Lebanese government before Israel's declaration of the appointment of Col Antoine Lahad as commander of the Army of Southern Lebanon to succeed Maj Sa'd Haddad. Although it is not certain that the Syrians also agreed to Lahad's appointment, it is certain that they were informed of these contacts and knew about them. Lahad differs from Haddad in that he was not expelled from the army; rather, he is an officer who resigned and was a military commander of the area of the mountain of Lebanon last year. He is also a supporter of the Liberal Nationalists' Party headed by [former] President Camille Shi'a 'un, and he is not known to have been on close terms with the Lebanese Forces or the Phalange Party. Col Antoine Lahad was a commander of the southern military region in 1975 and was the one who gave orders to fire on the demonstration in the streets of Sidon that year, which resulted in the assassination of the Sidon deputy Ma'ruf Sa'd. This assassination was considered one of the sparks which set off the civil war. Lahad is known for his hostility to the Palestinians and his fanatical devotion to Lebanese causes.

#### The Army of the South

The Israelis attach great importance to the appointment of Col Antoine Lahad as commander of the Army of Southern Lebanon. Moshe Arens, the Israeli defense minister, has described him as "an active, capable officer who bore great responsibility in the Lebanese army. We chose him on the basis of positive recommendations we received from many of the people who know him." Israeli newspaper sources say that the contacts made recently between Danny Shi'a 'un, the son of the chairman of the Liberal Nationalists' Party, and Israeli officials provided for the appointment of Antoine Lahad to his new position, among other things. These sources add that Israel is planning to withdraw from southern Lebanon in the near future, if it is able to hand

security in this area over to elements in the army, whose reorganization and preparation are taking place at the present time. The Israelis expect that this army will contain about 2,500 people, most of them Christians, in addition to some Shiites. The Israeli newspaper sources note that the people who are most reluctant to join this army in the south are Shiites. This can be attributed to the operations to which the people who joined this army, or their relatives, were subjected at the hands of the Lebanese Front for the Resistance of the Occupation. These sources also add that a number of Druze in the towns of Hasbiya and Rashiya have expressed interest in this army. Israel pays the members of the Army of Southern Lebanon between 1,000 and 1,400 Lebanese pounds a month, and the local bodies pay 500 pounds per soldier in addition to this sum, which is collected from the inhabitants as part of "their contribution" to "preventing the return of the terrorists" to the south. Local commentators in the south consider that financial enticement constitutes the basic element common to the personnel in this army and that may be attributed to the declining economic condition the Israeli occupation has left behind, which has resulted in the sluggishness of the harvest and the seasons in the south. Moshe Arens, the Israeli minister of defense, in his conversation with the newspaper THE JERUSALEM POST, considered "The establishment of the Army of Southern Lebanon is a step in the right direction, because it will help us reduce the number of our army personnel in the south and because we will have a military group which can bear some responsibilities and perform some of the missions the Israeli army is carrying out at the present time. We cannot withdraw from Lebanon before we provide the necessary protection for Galilee. Seeking such protection under the pressure of the factor of time will not be of benefit or contribute to progress. We will take the adequate time which the provision of the necessary guarantees before withdrawal will require."

In the same context, Israeli officials consider that the abrogation of the Lebanese-Israeli agreement has helped them "liberate themselves from their commitments" and that they will now be able to provide the form they wish for the protection of northern Israel, regardless of any commitment toward the Lebanese state. In a statement to the Israeli newspaper THE JERUSALEM POST, an official in the Israeli Ministry of Defense said, "Syria's recent victory in Lebanon has given us scope for liberating ourselves. If Amin al-Jumayyil had refused to yield to Syrian demands, we would have remained at the al-Awwali River forever. Its relinquishment has permitted us to review our policy again." Israeli press sources point out that there has been an important political change in Israeli military planning as far as Lebanon is concerned. The Israeli government considers that the speech Menachem Begin gave when he was still its head, stating "Katyusha rockets will not fall from now on in the Galilee area" was just oratorical enthusiasm, and did not express a political plan, because the fact is that the government considers that it is necessary to seek a practical solution to this issue "and that the important thing is the number of rockets that fall, because preventing them completely seems difficult." The fact is that the issue of the presence of the Israeli army in southern Lebanon has turned into a consumer commodity and a material for auctioneering in the elections, especially now that the leader of the Labor Party, Shimon Peres, has declared his desire to withdraw the army from the south if he comes to power and to replace it with local personnel who will cooperate with Israel.

Sources close to the American Department of State comment on the Israeli security arrangements in southern Lebanon by stating that a plan exists to break the vise of paralysis surrounding the Lebanese crisis by achieving a "secret understanding" between Syria and Israel founded on the principles which focused on the "red line" in the south in the wake of the entry of Syrian forces into Lebanon in 1976, then prevented a comprehensive confrontation between the Syrian and Israeli armies in the wake of Israel's invasion of Lebanon in 1982, which led to the withdrawal of the Syrian forces from Beirut. These American sources say that President Reagan's administration is convinced that "it is impossible for Lebanon to become united once again, and there has been a quiet shift in this administration toward acceptance of the partition of Lebanon as a fait accompli," and that the best that can be done in this area is to draw up "borders of nonbelligerence" between the Syrians and Israelis.

In any event, it is clear that Israel will not withdraw from Lebanon before measures are imposed that will satisfy it and be subject to its supervision, while the Lebanese government does not have a role in them. It is difficult to judge, as of now, whether this type of measure will have the agreement of the Lebanese government or will lead to agreement by the Syrians to withdraw their forces from the north and the al-Biqa'. The declared Syrian position still is the well known one which the Syrian vice president 'Abd-al-Halim Khaddam reasserted recently, that is, that "Syria will not withdraw its forces from Lebanon if Israel realizes any security or political gains as a result of its invasion." Although Syria is implicitly in favor of the security guarantees in the south, it is against them in its declared position, especially if they are carried out as Israel wants them to be. Thus, President Amin al-Jumayyil is slated to remain in the same vortex, and the recent Lebanese-Syrian summit is the beginning of a new stage of ups and downs in relations between the two countries.

At this time, the borders among factions and areas are being sanctified on the ground. Each region is assuming its own condition, in social and political terms. The south is now separate in the practical sense from the other Lebanese areas, because of the Israeli occupation measures at the al-Awwali River and the road passing through the al-Kharrub area. Beirut has turned into two cities because of the security situation and the collapse of all attempts to open the passageways between the two regions, and the areas of the north and the al-Biqa' are under the aegis of Syrian security, which is very different from the "security" in Beirut or that which exists in the south. It is not just regional interests which work to keep Lebanon's situation divided as it is now. The fact which must be stated is that a large segment of the Lebanese are working in the same direction, which makes hope for the reunification of Lebanon more distant.

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LEBANON

RECENT PROBLEMS IN DOMESTIC BANK REVIEWED

Beirut AL-IQTISAD WAL-A'MAL in Arabic No 59, Apr 84 pp 20-22

[Article: "What Is Going on in the Banks of Lebanon?"]

[Text] At the beginning of March, when Beirut was experiencing disturbed security conditions, queries and questions rained down from foreign banks on the leaders of the banks of Lebanon: What is going on with you? How is so and so? Every foreign bank proceeded to offer the names of certain banks to its Lebanese colleagues.

However, the search for information was then concentrated on the conditions of the First Phoenician Bank, which was not able to meet its commitments to foreign banks on schedule. At that time, it was not possible to get to the street of the main banks in Beirut, where this bank's offices are located, and the delay could be justified by the disturbed conditions; however, the increasing complaints and requests for information reinforced suspicions that some crisis was taking place in the bank.

The leaders of the Society of Banks of Lebanon followed this situation with the utmost interest. After the situation worsened, the chairman of the society, Mr Antoine Shadid, proceeded to address the president of the First Phoenician Bank, Mr Wajdi Mu'awwad, on the matter, especially with regard to the complaints that had been received from abroad. Mu'awwad in fact did acknowledge that there was a crisis of sorts, resulting for the most part from the security situation, especially because expectations on the growth of deposits had not corresponded to the magnitude of commitments. Agreement was reached that Mr Mu'awwad would go to the governor of the Bank of Lebanon, Shaykh Michel al-Khuri, to address him on the matter and ask for aid to enable the First Financial Bank to transcend the liquidity squeeze it was facing. However, he did not receive an answer at first, since the Bank of Lebanon does not take any steps before it learns about the actual state of a situation.

The Society of the Banks of Lebanon then in turn referred to the governor of the Bank of Lebanon, asking it to intervene, but he continued to maintain his strict position, considering that Lebanon could not endure a crisis of confidence abroad in addition to its overall crisis. However, the governor

said that the monetary authorities were ready to help although they feared that there might be something more than a liquidity squeeze in the bank, that is, that there might be particular excesses, especially since the Committee on Bank Oversight had shown some negative indicators on the bank's activity in a report.

#### The Plan for the Intervention by the Bank of Lebanon

However, the governor of the Bank of Lebanon then agreed to the aid, and for that he devised an approach, where some Lebanese banks, headed by the Lebanese French Bank, would take charge of the support mission and the Bank of Lebanon would supply them with everything they needed, assuming that the magnitude of the case might be within the range of 50 million Lebanese pounds. However, after preliminary study of the situation, it appeared that the magnitude was much greater than that, and at that point the banks recommended direct intervention by the Bank of Lebanon. This is what happened. In actuality, the bank decided to intervene directly by supplying the First Phoenician Bank with the exceptional loans it needed to cover all the commitments owed to the banks, especially the foreign banks, and respond to the demands of depositors in the event they proceeded to make withdrawals. However, the Bank of Lebanon imposed the condition that a person be appointed who would be in the presence of the bank's management, to guarantee the proper use of the exceptional credits which would be granted (for instance, to guarantee that they be used only to pay off the deposits of people who demanded them and pay the commitments owed the banks). Thought was given to two persons in connection with this task, Rizqallah Jinadari and Salim Habib. The choice then fell upon Salim Habib, one of the senior employees of the Lebanese French Bank, who had become in effect the official advisor to the bank chairman and the actual partner in decisionmaking.

This arrangement was made with the agreement of the heads of the Society of Banks of Lebanon, since the governor insisted that it be included in every action the Bank of Lebanon took, and indeed demanded that it sign the report which would be made on the bank. However, the society agreed to participate without signing the report. In fact, it requested the president and general manager of the Lebanese French Bank, Mr Farid Rufayil, to put Salim Habib at the disposal of the Bank of Lebanon for a period of 6 months in which he would help form a picture on the actual state of the situation, preparatory to defining the possible means of remedying it. However, he preferred to confine the mission to just a few weeks at the outset. Thus the president of the society, Mr Antoine Shadir, was concerned with the matter as a society president and as a personal friend of Mr Mu'awwad. In actuality something resembling a joint committee of the Bank of Lebanon and the Society of Banks then arose, to monitor the situation of the First Phoenician Bank with the general management of the bank, whose main constituent elements were Messrs Antoine Shadir, Salim Habib, 'Abduh Jafi (the Sardar Bank) and the lawyer Pierre Kan'an (from the Bank of Lebanon). This is in addition to the inspectors of the Bank of Lebanon, who were working diligently to study the bank's situation carefully.

In addition, the president of the bank, Wajdi Mu'awwad, offered his personal guaranty and undertook not to perform any activity without the participation of Salim Habib and the inspectors of the Bank of Lebanon.

### The Bank's Commitments: 700 Million

In the context of these arrangements, the Bank of Lebanon proceeded to grant exceptional credit to the bank. As of the end of last month, that came to about 350 million Lebanese pounds out of total overall bank commitments of 700 million Lebanese pounds (450 million pounds in deposits and 250 million in loans to banks, most of them foreign). Most of these credits were used to pay what was owed to the foreign banks, promoting an atmosphere of relaxation among these banks and inducing them to show their readiness to grant new facilities, especially since the Bank of Lebanon had become the actual partner in the responsibilities toward creditors. The rate of withdrawals by depositors, up to the end of last month, was not great, in the relative sense, and that was helped by numerous factors, most importantly:

1. The fact that small deposits of up to 30,000 Lebanese pounds were basically guaranteed by the National Deposit Insurance Organization which was established in the wake of the Intra Bank crisis toward the end of 1966.
2. The fact that the Bank of Lebanon, after its direct intervention, became the actual guarantor of all the bank's commitments, totalling 700 million Lebanese pounds (except for guarantees on which discussions have not yet taken place).
3. The fact that most depositors were not aware of the squeeze the bank was going through.

The apparent point is that the Bank of Lebanon's intervention has so far occurred within a specific context which one can understand as part of the following arrangement:

1. Provision of exceptional credits to the bank.
2. Direct oversight of the disbursement of these credits.
3. Identification of the administrative and financial situation of the bank, that is, drawing up a comprehensive, integrated picture of the state of affairs and determining the factors lying behind the crisis.
4. Recommendation of appropriate solutions or the adoption of measures it considers necessary, and consequently determining the fate of the bank and the responsibility of its leaders and shareholders.

It is clear from all this that the Bank of Lebanon has not yet taken over the bank, and might not do so, and that its task has not reached the point of liquidation, although anything will be feasible ultimately if conditions later arise which call for that.

### The State of Assets

Of course it was very easy to determine the magnitude of the bank's commitments toward banks and depositors, but it was not easy to determine the magnitude of the assets, or, more accurately, to determine the state of

these assets. Were the loans granted sound, were they assured, and to what extent? Put more clearly, did specific excesses and acts of speculation occur in the framework of the bank's activity, and were they behind the squeeze it faced, or did the situation arise in particular from the deterioration of the security situation in Lebanon as a whole, specifically on the street of the banks, where the bank's headquarters are located?

All these questions, and many others besides, have been raised before the Bank of Lebanon, the Society of Banks, and even the board of directors of the bank itself. Every possibility and procedure has been raised along with them. In the light of what is revealed by the results of the study and the investigation, the magnitude of the loss and whether or not it is in the shareholders' ability to bear it or not will be determined, the fate of the management and the fate of the bank will also be determined, and in the light of that, also, conditions will be determined in the case of some major debtors where investigations are being made into the soundness of their loans, the manner in which these loans were disbursed, and, more important, their ability to pay.

It is expected that this committee's report on the state of the bank, especially regarding its assets, loans and investments and the concomitant circumstances of the squeeze it has gone through, will have ended and been submitted to the Bank of Lebanon at the start of April. However, the matter of setting an accurate figure for the loss is extremely difficult, since it requires that the creditors' conditions and the degree to which it is possible to collect from them be given concrete form. However, preliminary information which was available before the report was made indicated a loss in the range of 100 million Lebanese pounds. This is a preliminary figure and cannot be relied on; it remains subject to vicissitudes in the light of much data whose condition is still not clear. If the loss stays confined to between 50 and 100 million Lebanese pounds, it is most likely that it will be in the current shareholders' power to cover it if they wish, so that first of all the increase in the stipulated capital from 5 to 50 million Lebanese pounds will proceed to be paid and second the capital will be reconstituted in the event the loss exceeds this capital. If the loss is above a level which exceeds the limits of the stockholders' ability, not to speak of the limits of their desire, the situation will then assume another course which will be characterized by a judiciary nature.

It has been learned that Mr Mu'awwad is moving in every direction in an attempt to save the bank from the squeeze it is going through.

Of course it might be premature to ask who will defray the loss that occurs in the event the shareholders fail to cover it, since it is preferable to wait for the picture of the state of the bank to have a chance to become clear, and with that for the position of the shareholders to take concrete form.

It might also be premature to determine the factors which lie behind the loss (speculation, loans whose collection is questionable, and so forth), since that assumes first of all that the magnitude of this loss, the nature

of the commitments and the quality of the investments can be determined. That assumes that these be reviewed in the committee report, bearing in mind that much talk is going about on speculation in hard currency and minerals, but that it is not possible to verify it before the picture becomes completely clear. Involvement in speculation is something that is talked about in many banks, but these continue to observe the limits of their resources in their activities; that is, it is a form of "calculated involvement."

#### Is There a Bank Crisis?

The last question that has been raised is, are other banks facing a liquidity squeeze? Is the banking sector as a whole faced with danger as a result of this incident?

As far as the answer goes:

First of all, there are numerous rumors about many banks but it has been proved that most of them do not go beyond predictions and impressions. The only incident which has occurred is that of the First Phoenician Bank. If there are other incidents, these involve the condition of two new, extremely small banks, and there should be no anxiety over them, or on their part, at all. These are:

The Metropolitan Bank, with respect to its owner, Mr Murshid Ba'qalini, who was compelled to dismiss his general manager, Mr 'Adil Mufrij, because of specific conduct regarding lending activities. However, there is no problem worth mentioning with this bank, or anxiety over it or on its part, and it remains a marginal bank in every sense of the word.

The Foreign Trade Bank, with respect to its owner, Mr Salim al-Hajj, whose condition has been the object of controversy since it started operating and who consequently has been the object of constant surveillance on the part of the Bank of Lebanon. It is being rumored that the Bank of Lebanon received a guarantee from the owner of the bank accompanied by adequate real estate collateral to cover all eventualities. In any event, this bank is for its part small and marginal, and there is absolutely no anxiety over it.

With these exceptions there is not yet any tangible evidence that there is a crisis in other banks. In addition, no complaints have yet appeared concerning any bank's delay in meeting its domestic or foreign commitments. Therefore, whatever is being rumored one place or another probably does not amount to more than rumor. This is not a new phenomenon. In every period, because of the fear of the repercussions of war on the Lebanese banks that constantly exists, these are faced with a wave of rumors of this sort, to the point where they have acquired an immunity to this sort of "war."

Second, though more than 9 years of war have elapsed in Lebanon, the Lebanese banking system still is functioning normally. An incident in a specific relatively small bank cannot affect the state of this system, which has acquired exceptional immunity against events and rumors. One should bear in mind that one cannot as of now rule that this bank might be incapable of reorganizing its situation. Nothing is greater proof of that than the

continued normal operation of the banking system as a whole, with all its elements.

It is a phenomenon which is indeed worthy of attention and respect that the banks in Lebanon can pursue their activity and meet their domestic and foreign commitments under different circumstances, in spite of the material difficulties and dangers the owners and employees of these banks have faced.

However, this all does not mean that the banks in Lebanon are not laboring under the burden of events and that they are not harmed by them, and their accumulated weight. Any damage that is inflicted on any economic organization in Lebanon, or anywhere else, has its negative influence on the banks that deal with that organization, whether they are debtors or creditors. There is no doubt that the banks, and behind them the Bank of Lebanon, are facing this situation with exceptional flexibility, since they understand the conditions of their debtor clients who have been harmed and try to deal in their relations with them in an atmosphere of realism and reasonableness. So far, no unquestionable risks have appeared in the course of this situation, although such risks have existed and been hidden, and remain contingent on the extent to which the war continues and what it will lead to.

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DIFFERENCES BETWEEN, POLITICS IN PARTY GROUPS DISCUSSED

Dhaka THE NEW NATION in English 13 Apr 84 pp 1, 8

[Article by Kazi Montu]

[Text] While the 7-party alliance has been gripped in a crisis due to multi-polar intrigues by its "stalwarts", a cold war is also going on between the Awami League and its small partners in the 15-party alliance on the question of withdrawal of martial law and participation in national elections.

Besides, the understanding between two alliances forged earlier to spearhead a simultaneous movement on the basis of the 5-point demands has also considerably weakened.

The two alliances are likely to increase their distance on the question of the constitution of the country. The 15-party alliance demands restoration of the constitution before the Fourth Amendment while the 7-party alliance insists on the revival of the constitution suspended in 1982.

The 1972 constitution contained four state principles including secularism and socialism. In later amendments 'Bismillah hirrahem Rahemin' and social justice' replaced these two principles.

In view of the talks between the government and the two alliances which are expected to have positive impact in accelerating the process of peaceful transition to democracy there are quiet campaigns in the Awami League and the BNP (Sattar) for participation in the national elections.

Different steps so far taken by the government to fulfil the demands of the two alliances have also contributed to strengthening of the campaigns.

Against the backdrop of these developments the talks between the government and the two alliances are expected to have positive impact in accelerating the process of peaceful transition to democracy.

The 7-party alliance of six political parties appears to be captive in the hands of a few stalwarts who are believed to have clandestine links with invisible forces.

Most of these stalwarts belong to the BNP (Sattar)--the major component of the 7-party alliance while UPP chairman Kazi Zafar Ahmed is the lone figure out side the BNP who has been able to establish himself as one of the stalwarts.

The BNP stalwarts include, apart from Begum Khaleda Zia, Mirza Golam Hafiz, Shah Azizur Rahman, Badruddoza Chowdhury, Capt. (Retd) Abdul Halim Choudhury, Major General (retd.) Majedul Huq, Lt. Col. (retd.) Mustafizur Rahman, Col. (retd.) Wali Ahmed and Moudud Ahmed.

The mid-ranking leaders like Barrister Anisul Islam Mahmud, Lt. Col (retd.) Zafar Imam, Abdul Matin Choudhury, Barrister Salam Talukdar, Sirajul Huq Montu, Advocate Julmat Ali and Barrister Sultan Ahmed Chowdhury also shot into prominence at the decision making level of the party.

The party has, in fact, a long list of strange bedfellows including retired army officials, professionals whose assets are their 'big names' and deserters of different parties.

A major chunk of the party and its wings has already switched over to the Natun Bangla Chhatra Samaj, Natun Bangla Jubo Samaj and the Jamadal.

A section of the BNP stalwart who used to harshly attack the government were also carrying on secret talks with the official representatives on the prospect of evolving a sort of understanding at their personal level.

However, as they could not come to terms with the government, they preferred to put them in the forefront of the movement on the basis of the 5-point demands.

During the movement the events in the party underlined the emergence of Maj. Gen. (retd.) Majedul Huq and Lt. Col. (Retd.) Mustafizur Rahman as the closest confidants of Begum Ziaur Rahman while Capt. (retd.) Abdul Halim Choudhury succeeded in establishing a rapport between the two alliances.

Capt. (retd.) Abdul Halim Choudhury who aspires to be next Secretary General of the party readily earned support of a section of the student and youth wings of the party.

Former Prime Minister Shah Azizur Rahman who is known to be a shrewd strategist in political manoeuvrings has always cut a sorry figure in the competition to become a close confidant of Begum Zia, but he has hardly relaxed his efforts to demonstrate his merit in doing mischief.

Mirza Golam Hafiz has always been useful for Begum Zia when the question of making contacts with the top brass of the government came up. Barrister Anisul Islam Mahmud, a young leader of the party, has also served as an emissary of the BNP in its talks with the government.

Currently, Mirza Golam Hafiz is playing a vital role in the party and his residence being used as venue of the meeting of the 7-party alliance.

Indecision on many important issues in the 7-party alliance have resulted from contradictory advice given by the stalwarts of the alliance.

The walk-out of dialogue on April 9 was a mischief enacted by Shah Azizur Rahman, his supporters were grumbling over decision of the 7-party alliance to participate in the dialogue with the government in presence of Prime Minister Ataur Rahman Khan.

But she was tricked into swallowing the bait of Shah Aziz not to discuss with the government in presence of Ataur Rahman Khan in the afternoon of April 9.

Kazi Zafar Ahmed, another stalwart of the alliance, soon put down his feet and convinced Begum Zia that the decision on the walk-out was not correct. Her well wishers outside the alliance persuaded her to have a fresh round of talks alone with President and CMLA Lt. Gen. H. M. Ershad yesterday morning.

Moudud Ahmed appears to have been cornered in the BNP and so in the alliance too. His efforts to win favour of Begum Zia have not yielded fruit. However, he is maintaining his survival in the party on the strength of a small group of supporters among the members of its student and youth wings. His activities are also looked at suspiciously in the party.

Out of the six components of the alliance four components--Democratic League (Rouf), Biplobi Communist League, Ganatantrik Party and NAP (Ali Ashraf) are too small to assert their role in the alliance. The Biplobi Communist League was opposed to the dialogue earlier, but it finally accepted it.

However, the alliance is now in favour of holding national election as early as possible.

On the other hand, the 15-party alliance seems to have no objection to the holding of election in October or later.

But differences have widened in the alliances on the question of the form of government under which the election will be held. Nine small components of the alliance--two factions of BSD, JSD, Baksal, Sramik Krishak, Samajbadi Dal, two factions of Samyabadi Dal, Workers Party and Gana Azadi League have expressed themselves in favour of an interim government of civilian character while Awami League wants holding of the elections under this government reducing it to a reference government through withdrawal of all martial law appendages except the office of the CMLA.

The CPB and its closest allies--NAP (Muzaffar), NAP (Harun) and Ekota Party are not also opposed to participation in elections.

CSO: 4600/1820

## ARTICLE EXAMINES PROBLEMS OF GANGES NEGOTIATIONS

Dhaka HOLIDAY in English 7 Apr 84 pp 1, 8

[Article by N. M. Harun]

[Text] The 1982 Indo-Bangladesh Memorandum of Understanding, signed within the framework of an umbrella understanding--which is now apparently soured--between then CMLA Lt. General H. M. Ershad and Indian Prime Minister Indira Gandhi, expired yesterday (April 6). And with this, for good or bad, the two countries have been left with no instrument to regulate their relations on the treacherous Ganges till a new one is mutually agreed upon.

However, the Ganges water sharing arrangements under the Memorandum will continue up to May 31. And the Bangladesh Irrigation Minister made a clever move on February 22 last when he wrote to his Indian counterpart asking for the continuation of these arrangements on a long-term basis "to avoid creation of a vacuum." India is yet to make a positive response to this suggestion.

The two countries must agree on a fresh Ganges water sharing formula before the onset of the next dry season if they want to avoid a repetition of the situation of 1976 when India unilaterally diverted Ganges water through the Farakka barrage in the absence of any agreement between them.

The Ganges water sharing issue has been bedevilled by the extraneous issue of augmentation of the dry season flows of the river since 1974. The 1977 Farakka agreement and its derivative the 1982 Memorandum of Understanding had made long-term or permanent sharing of Ganges water contingent upon the augmentation of the dry season flows of the river.

Before the Bangladesh government launches a fresh round of negotiations with India on the Ganges, it must decide about the suicidal augmentation factor. If it fails to de-link sharing of water from augmentation, a danger is there that the past will be repeated--that Bangladesh would renew its augmentation scheme of storage dams upstream Ganges including in Nepal and India its Ganges-Brahmaputra link canal, that is, the same old deadlock.

### Propaganda Overkill

The propaganda overkill regarding the rejection of the Indian-proposed link canal notwithstanding, the fact is that the government has not yet taken any such stand on this issue.

Here a misconception about the role of the Indo-Bangladesh Joint Rivers Commission (JRC), formed in 1972, should be cleared.

The JRC is a statutory intra-government technical body with no policy-making or decision-making authority. Its role in the matters of the Ganges was very limited.

The Ganges dispute has two aspects: one, sharing of water and the other, augmentation of dry season flows.

The JRC was never formally involved in the sharing of Ganges water. The governments of the two countries signed agreements of water sharing and formed "joint committees" to oversee the sharing.

As for the augmentation aspect, the JRC was merely a recommending body about schemes it was asked to study with no authority whatsoever to accept or reject any scheme. This was an absolute prerogative of the two governments.

#### First Assignment

The JRC first came into the scene of the Ganges following the Indira-Majib joint declaration of May 16, 1974. Its task then was "...the best means of such augmentation through optimum utilisation of the water resources of the region available to the two countries should be studied by the Joint River Commission. The commission should make suitable recommendations to meet the requirements of both the countries."

The Bangladesh side in the JRC proposed construction of storage dams upstream the Ganges including in Nepal, and the Indian side the Ganges-Brahmaputra link canal for augmenting the dry season flows of the Ganges. Both the sides 'rejected' each other's proposal. But these were not government proposals and before the governments of the two countries could take final decisions, events overtook the Indira-Mujib joint declaration. The 1975 change-over took place in Bangladesh.

Meanwhile four things happened. First, taking advantage of the 1975 interim arrangements, which allowed India to divert 11,600 cusecs of Ganges water for 42 days to test run the feeder canal of the Farakka barrage, India stealthily commissioned the Farakka project in violation of the Indira-Mujib joint declaration, which expressed the two countries "determination that before the Farakka project is commissioned they would arrive at a mutually acceptable allocation of the water available during the periods of minimum flow in the Ganges."

Secondly, India unilaterally diverted Ganges water at Farakka in 1976.

Thirdly, Bangladesh took the Farakka dispute to the United Nations in 1976.

Fourthly, as directed by the UN, the two countries returned to bilateral negotiations which produced the 1977 Farakka agreement.

## Second Assignment

The 1977 Farakka agreement involved the JRC in the Ganges issue for the second time. Article IX of the agreement said: "The Indo-Bangladesh Joint Rivers Commission established by the two governments in 1972 shall carry out investigation and study of schemes relating to the augmentation of the dry season flows of the Ganges, proposed or to be proposed by either government with a view to finding a solution which is economical and feasible. It shall submit its recommendations to the two governments within a period of three years."

The two governments exchanged their respective schemes (storage dams, upstream Ganges including in Nepal, and Ganges-Brahmaputra link canal) in 1978. The JRC failed even to take up "investigation and study" of the schemes not only within the stipulated period of three years but also within the whole 5-year period of the Farakka agreement. It failed to make any recommendation. But the Bangladesh side in the JRC submitted a report to the Bangladesh government rejecting Indian scheme and the Indian side to the Indian government rejecting Bangladesh scheme.

## Third Assignment

Then came the Memorandum of Understanding. It directed the experts concerned of the two countries "to expedite studies of the economic and technical feasibility of the schemes which had been proposed by either side (storage dams upstream Ganges including in Nepal and Ganges-Brahmaputra link canal) in order to settle upon the optimum solution for urgent implementation." The Memorandum said: "It was decided that the Joint Rivers Commission would complete the pre-feasibility study and decide upon the optimum solution within 18 months of the signing of this memorandum..."

"The JRC recorded its failure for the third time in carrying out Ganges assignment in the joint press statement issued at the conclusion of its 26th meeting on March 31: "In view of the differences of views on each other's proposal, it was not possible for the Indo-Bangladesh Joint Rivers Commission to make a recommendation which was acceptable to each other in regard to optimum solution for the augmentation of the dry season flows of the Ganges at Farakka which could be urgently implemented. The Joint Rivers Commission will report this to the two governments."

## Phoney Battles

If the JRC failed for three consecutive times to carry out its Ganges assignment, this was not because of its own weaknesses but because the two governments used this forum to conduct phoney battles.

For example, article XI of the Farakka agreement stipulated: "Any difference or dispute arising from or with regard to this part (long-term arrangements, that is, augmentation) of the agreement, if not resolved by the Joint Rivers Commission, shall be referred to the two governments which shall meet urgently at the appropriate level to resolve it by mutual discussion."

Immediately after the two governments had exchanged their respective Ganges augmentation schemes in 1978, the JRC practically became paralysed so far as the Ganges issue was concerned because the two sides in the JRC failed to agree on the interpretation of the Farakka agreement and its Side Letter. But article XI of the Farakka agreement was never invoked and the two governments allowed the matter to be dragged in the JRC forum because they were not prepared to take the necessary political decisions on the basic issue of augmentation.

In the process, the two sides in the JRC over-played their part and further confused the issue. Instead of fulfilling its tasks of studies and making recommendations, and where confusion arose, to refer the matter to the two governments for decision and direction, the JRC allowed its two sides to mistakenly arrogate to themselves the roles of decision-making, only to come repeatedly to a sorry pass. So in 1975 and again in 1982 the two sides in the JRC had clamourously "rejected" the Ganges augmentation schemes. But the two governments asked the JRC to study the same very schemes within the terms of reference of their 1977 Farakka agreement and the 1982 Memorandum of Understanding.

So what has happened is this: since the two governments exchanged their respective Ganges augmentation schemes in March, 1978 as envisaged in the 1977 Farakka agreement, the mutual *prima facie* acceptance, and also the "study and investigation" or "pre-feasibility study" of both the schemes became mandatory for them in accordance with the 1977 Farakka agreement and its derivative 1982 Memorandum. The question of final acceptance or rejection of any, or both, of the schemes would have normally arisen only when the JRC had completed its tasks and submitted its recommendations.

With the expiry of the Memorandum, the two governments have presently been saved from the responsibility of making the choice because such a choice has now become infructuous.

#### Principled Stand

Since Bangladesh, swallowed the bait of augmentation in 1974, the experiences from the 1974 Indira-Mujib joint declaration, the 1977 Farakka agreement and the 1982 Memorandum of Understanding show that the linkage of augmentation with the sharing of Ganges waters allows India to twist the arm of Bangladesh and threatens the country with the twin dangers of deprivation of an equitable share of the Ganges waters and the usurpation of Brahmaputra waters by India with the consent from Bangladesh government through the noose of the Indian dragon "link canal".

One must not suffer from self-deception that with the lapse of the Memorandum of Understanding all the dangers have withered away. Taking into account the fallout of the Indira-Mujib joint declaration, the Farakka agreement and the Memorandum of Understanding, the government of Bangladesh must decide on certain principles before it embarks on fresh negotiations with India on the Ganges if it does not want to be haunted, as before, by the spectre of the Indian-proposed link canal.

First, the basin must be defined. According to Bangladesh, the Ganges and the Brahmaputra are two separate river basins while according to India, these two rivers form one single basin. If this dispute is not settled, India may manoeuvre to deprive Bangladesh of its legitimate share of both Ganges and Brahmaputra waters by compounding its demand on the waters of the two rivers considered as a single river basin. One must note that India made an apparently absurd suggestion to divert one lakh out of one lakh 20 thousand cusecs of dry season Brahmaputra waters into the Ganges to meet its so-called requirement of Ganges water.

Secondly, will Bangladesh remain wedded to the conception of augmentation? In that case, Bangladesh will remain bound to study whatever augmentation scheme India may propose and be prepared to implement the same. Predictably, the Indian proposal will always be the "link canal."

Thirdly, will sharing of the Ganges waters remain linked to augmentation? In that case, India would always have a leverage to pressurise Bangladesh to accept its augmentation scheme, increasingly with every occasion of renewal of sharing arrangements.

Fourthly, will Bangladesh ask only for sharing of water or first sharing and then possible augmentation? If the second alternative is preferred, then it must be clearly stated from what sources from the Banges basin itself or from all the water sources of the two countries. Also will have to be clarified whether other coriparians, like Nepal and China, may be involved in the enterprise, and in that case what should be the investigating and implementing agency. A bilateral organisation, like the JRC, cannot handle a multilateral business.

CSO: 4600/1818

PRIME MINISTER URGES PARTY GROUPS TO JOIN DIALOGUE

Dhaka THE NEW NATION in English 9 Apr 84 pp 1, 8

[Text] Prime Minister, Ataur Rahman Khan yesterday said that the armed forces were willing to go back to barracks after transferring power.

He said armed forces realise that they become weak and inefficient and lose their dignity whenever they indulge in politics.

The Prime Minister was addressing a reception accorded to him by the Jatiya League. Presided over by Abdur Rahman Khan, Senior Vice President of Jatiya League the reception was also addressed by Information Minister Shamsul Haq, Jatiya League General Secretary Abul Kalam, Cultural Secretary Prof. Bayezid Ahmad, Publicity Secretary Nainal Abedin Faruq, steering committee members Barrister Abdur Rab, Advocate Gholam Rabbani and city General Secretary Forquan Ahmad.

Ataur Rahman Khan called upon the 15-party and seven party alliances to join the dialogue and solve the unresolved issues. Regarding the demands in the preconditions set by different parties he said the dialogue was to discuss the demands. He expressed his firm belief that if the parties concerned proceeded with an open mind, nothing could be left unsolved.

Calling upon the opposition parties to join the dialogue as early as possible, the Prime Minister said the nation has reached a stage when time was running out. Regarding the effectiveness of dialogue, he said in his political career he saw many a crisis which were solved through negotiations. He said he is in politics for a long time and many of today's political leaders were not even born in those days. He said he believed in political movement but not in destructive movements. He said in destructive movements innocent people had to pay and national properties were damaged. He said whenever a movement turned violent or destructive he stepped aside from the movement.

Quoting from the recent past, he said he was also in the seven party alliance but the alliance could not convince him why he should not join the dialogue. He said the result of his dialogue was partly success and partly failure. He said he was, however, not repentant about the failure.

Drawing the attention of the two alliances he said, President General Ershad was really sincere about the restoration of democracy and transfer of power to a civil government, and for that an election was a must. He said for the holding of the national election the opposition leaders should join the dialogue.

Mr Khan said if the politicians were engaged in politics for the sake of the nation and not for the sake of themselves and their political parties they should join the dialogue.

Regarding the atmosphere of dialogue he said the atmosphere cannot be created by the government or the political parties alone. He said the government has already suspended the upazila polls, freed the detainees, under-trial prisoners and was considering the cases of the convicted persons. In this connection he said those who have been convicted by the court of law for grave offences cannot be considered the same way as the rest. The government is, however, considering their cases also.

Reiterating his call for joining the dialogue he said the government called for reciprocating the government's gestures and said nothing could remain unsolved through dialogue. He said with the exchange of views problems become easier to solve.

He said nothing can be achieved overnight and if all the parties proceed with good intention a remedy is always worked out.

He said he himself would be available for the politicians always and was willing to meet them anywhere and at any time they liked. He extended his call to the students, labourers and agriculturists.

Regarding the students he said they were yet quite young and their mistakes should be ignored by the seniors.

Regarding the trade union rights he said, he had talked to the President regarding this and the trade union rights and activities would resume soon.

Information Minister, Shamsul Haq said Ataur Rahman Khan was the best selection by the President in the critical juncture when the nation was preparing for a peaceful transition to democracy and transfer of power from the military junta to civilian government.

Turning to the opposition he said, much time has been spent and of late they are showing some interest in dialogue. He said there should be no more delay. Regarding the precondition, he said he did not understand why those were set by the opposition.

Regarding the election he said there are instances of holding the polls under legal framework order within martial law.

Jatiya League Secretary General Abul Kalam, said if Ataur Rahman Khan deviates from the philosophy of Jatiya League he would lose popularity for ever.

Especially mentioning the Rajshahi University incidents, he called for taking a softer attitude towards the students.

Syed Azizul Haq Nanna Miah said the success of the appointment of Ataur Rahman Khan was the success of peaceful transfer of power to civilian government.

CSO: 4600/1822

## BANGLADESH

### REPORTAGE ON DEVELOPMENTS IN AID SITUATION

#### EEC Food Aid

Dhaka THE NEW NATION in English 9 Apr 84 pp 1, 8

[Text] The development cooperation between Bangladesh and the members of the European Economic Community (EEC) has been growing with the present annual aid disbursement of about 300 million US dollars from the Community.

Besides, substantial flow of aid is being channelised through the World Bank, Asian Development Bank (ADB) and the UN system. With the increasing participation in the bilateral development programmes the ten-member EEC countries have emerged as potential source of foreign aid and main partners of Bangladesh in its development effort.

In addition to the flow of foreign aid, Bangladesh also emerged as the biggest recipient of food aid from the EEC countries about 10 per cent of its food aid programme. Bangladesh is enjoying favorable treatment from the EEC countries under the Generalised System of Preferences (GSP). Two separate agreements were signed to cover jute and textiles to facilitate access of exports to the EEC market. A trade promotion programme has also been taken to support Bangladesh's export to the EEC.

The Commission of the EEC has been providing assistance to Bangladesh since 1975 and the aid flow has been increasing every year since then.

The foreign aid had been provided in rural development, energy, infrastructure and industrial sector. For many of the EEC countries, Bangladesh is one of the main aid recipient countries since independence, and most of this aid is given as grant. Besides, substantial amount of past debts were either written off or converted into grants with beneficial terms. The aid also includes local cost financing with considerable amount of food aid.

Among the members of the EEC group, France topped the list of total foreign assistance specially in terms of project and commodity aid. During 1974 to 1983, France had provided Bangladesh 1170 million French francs equivalent to over 3568 crore taka, and food aid of about one lakh 36 thousand tons during 1973 to 1983.

The French assistance was involved mainly in the power and gas, petroleum, civil aviation and industrial sectors.

In terms of size of assistance France was followed by Federal Republic of Germany (FRG) with an estimated aid flow of about 2180 crore Taka received by Bangladesh so far. In addition, Bangladesh is one of the five countries enjoying the biggest share of German aid.

The important aspect of German aid is its exclusive nature of assistance in the form of grants. Apart from this, there is a wide arrange of projects in Bangladesh supported by non-government organisations in the Federal Republic of Germany.

Netherlands, another member of the Community has also been providing substantial amount of foreign aid to the tune of about Tk. 1022 crore which is about 75 per cent of its regular assistance provided annually to the developing countries. Its assistance continued since the very inception of Bangladesh. Out of the total amount about 50 per cent was provided in the form of commodity aid.

This amount was followed by Denmark, Belgium and United Kingdom with the total estimated flow of assistance at Tk 300,48 and 10 and a half crore respectively.

#### 'Aid Short of Demand'

Dhaka HOLIDAY in English 13 Apr 84 pp 1, 7

[Article by Hossain Khasru]

[Text] Fresh aid pledges for the forthcoming fiscal 1984/85 by the Western donor countries and agencies, represented in the consortium, have fallen much short of what Bangladesh sought at just-concluded Paris meeting of the aid club, chaired by the World Bank.

As reports from Paris after the end of the consortium meeting last week indicated, 30 western countries and five international agencies agreed to give Bangladesh 1.72 billion US dollars of aid in fiscal year 1984/85. The country, according to an earlier report, sought 2.25 billion US dollars from the consortium sources for the forthcoming fiscal year, the terminal year of the current Second Five-Year Plan, for scheduled completion of many on-going projects and also for supporting expanded public sector development activities under annual development program (ADP).

The forthcoming ADP is to be financed to the extent of 82.5 percent from external assistance and only 6.31 billion takas have been projected to come as domestic resources for financing the same, to be sized at 36 billion takas for 1984/85.

Fresh aid commitments falling short of the country's expectations will no doubt necessitate a harder look at new realities vis-a-vis the external aid

situation on the part of the concerned government agencies. It is however difficult to assess at this stage how the resource mobilisation strategy for the upcoming fiscal year will be affected by this.

This is more so in view of the fact that disbursement rather than new commitment of aid will have the major influence on resource flows, external and domestic through an interwoven process under the existing state of the economy, to sustain economic operations for attaining a 5.5 percent growth of the country's gross domestic product (GDP).

#### Growth Scenario

In the aid memorandum submitted to the donors at the Paris meeting, the sectoral and sub-sectoral growth scenario for 1984-85 has been projected by the government as follows: food--4.4 percent growth (15.9 million tons of cereal production in 1983/84 to 16.7 million tons in 1984/85), jute production--13% increase to 5.9 lakh bales, electricity--15%, gas--34%, industries--8%, trade and miscellaneous--5.4%.

The overall import operations of the country have been envisaged at 2750 million dollars for 1984/85 as against 2500 million dollars in 1983/84 and export earnings, at 830 million dollars for 1984/85 as against 770 million dollars in 1983/84.

The government's tax revenue earnings for 1984/85 have earlier been expected to record a 21 percent increase to Tk. 29.43 billion. The overall revenue surplus has been projected at 7.73 billion takas for the coming year when revenue expenditures are to grow by 12.2 percent to 27.5 billion takas.

Much of earlier exercises for resource mobilisation and development programming for 1984/85 will require now a more careful re-examination following the aid consortium meeting in Paris. External Resources Division and Planning Commission have made the projection earlier about aid disbursements for the coming fiscal year at 1630 million dollars--food-300 million dollars, commodity --600 million dollars and project--730 million dollars.

The disbursement for the current fiscal year (1983/84) has of late been expected at 1.3 billion dollars, one hundred million short of the original projection at 1.4 billion dollars for the year.

#### Project Aid

As for disbursement of project aid, the anticipated level of 730 million dollars for 1984/85 by itself does not appear to be a difficult one at all because the project aid pipeline is now built comfortably at over 3.5 billion dollar mark. But disbursement of project aid is critically dependent on availability of matching taka resources. It is here that commodity aid and food assistance assume a critical importance for faster disbursement of project assistance.

As the available indications suggest, project aid disbursement in proportion to the opening pipeline has recorded a fall in 1983/84 owing to two inter-related factors: (a) taka generation problems resulting from revenue shortfalls primarily due to slow pace in import operations which are mainly dependent on availability of commodity aid funds, and (b) late signing of commodity aid agreements leading to shortfall in domestic resources availability for timely utilisation of project aid.

#### Disbursement

Commodity aid disbursements remain thus one of the critical determinants for utilisation of project assistance at a faster pace. Improvement in project management is definitely required for proper implementation of the aided-projects but shortfall in matching taka resources will definitely pose to be the major problem for attainment of project aid disbursement target.

For an improvement of project aid disbursement performance, the government has been pleading with the donor agencies for full-cost type financing operations involving development projects in the country. The response of the donors to the urgings of the government for either full-cost or partial local cost financing has so far been not very encouraging.

For the forthcoming year as in previous years, commodity aid disbursements, targetted at 600 million dollars (140 million dollars higher than the original target of 460 million dollars for 1983/84), will be the major decisive element for attainment of the overall external aid disbursement target.

As for food aid disbursement, the target for 1984-85 has been set at 300 million dollars, a level higher by 70 million dollars than the original food aid disbursement target of 230 million dollars for 1983/84, to build up a year-end food reserve stock of 1.2 million tons.

In addition to the reserve stock requirements, the additional food aid for 1984/85 has been felt necessary for successful intervention by the government in the market to keep the prices of foodgrains at stable levels, compensating the shortfall in internal procurement operations by about five lakh tons in 1983/84, and expanding and diversifying the development operations under Food-for-Works (FFW) programme.

Meanwhile, the fresh aid pledges by the donors at Paris meeting last week represented an increase of only six percent over the 1.62 billion dollars given for 1983/84. But the pledges in real terms have remained unchanged after allowance is made for inflation.

#### Delay in Project Implementation

Dhaka THE BANGLADESH OBSERVER in English 17 Apr 84 pp 1, 12

[Text] The World Bank (WB) has expressed its concern over delays in project implementation in Bangladesh, terming it a problem of major proportions". Such delays will have an adverse impact on disbursement of aid and assistance to the country, the bank felt.

The WB has issued a note of caution to the Government about the need for improving project implementation performance while stating that "the justification for increasing project aid commitments will be severely weakened", if the outstanding pipeline of aid commitments remain unutilised in the near future.

In its latest report on economic trends and development administration in Bangladesh, the WB pointed out that project aid disbursements fell from an average of 25 per cent of the opening year's pipeline for the three-year period (1979-81) to 22 per cent and 19 per cent for 1981-82 and 1982-83. According to the bank, the disbursement rate for projects funded by International Development Association (IDA), its soft-loan affiliate, had fallen steadily from about 19.4 in 1978-79 to 12.3 per cent in 1982-83 in Bangladesh. This, as the report mentions, compares with an average of 20 per cent for all World Bank/IDA countries and 25 per cent for the South Asia region in 1982-83.

The WB report was placed before the just-concluded Aid Group meeting in Paris where Bangladesh obtained 1.72 billion US dollars worth of aid pledges for 1984-85.

About project implementation, the bank has pointed out that the experience of the Asian Development Bank is also similar to that of IDA in Bangladesh. The disbursement rate for ADB projects has fallen, from a high of 22.5 per cent in 1978-79 to 8.4 per cent in 1982-83 compared to the average disbursement rate for all ADB countries of around 14 per cent in recent years. IDA and ADB, to mention here, are the two major donors of project aid in Bangladesh.

The WB, using the alternative measure of implementation performance has reported that the shortfalls in project aid disbursements in terms of the time-frame forecast at the time of project approval in Bangladesh "are significantly greater than would normally be expected in the light of international experience. The pattern of gradual deterioration in implementation rates resulting in shortfall between the allocation and utilisation of funds has caused the "cost overrun factors" to have their crippling effects on project management." It has generally taken about 4 to 5 years to complete projects which were originally intended to be finished in 2 to 3 years", the banks observes.

The bank as the coordinator of western aid flows to the country has felt that the problems of project implementation have been made gradually more difficult by the changing composition of aid. A substantial decline in the ratio of commodity assistance as compared to project aid has made it "difficult for the government to allocate local currency resources to facilitate the implementation of aided projects".

Besides these "external circumstances", the bank has ascribed the reasons for project aid implementation delays to several internal factors. These include "multi-tier structure in making and reviewing decisions, reluctance on the part of higher authorities to delegate authority to subordinates as well as the reluctance of some officials to utilise fully the powers vested with them,

difficulties in coping with Government directives which restrict the flexibility of agencies in carrying out operations, cumbersome systems of customs clearance, inadequate local funding provisions for aided projects in the Annual Development Programme (ADP), inconsistencies in project concept, phasing, staffing, and technical assistance needs" etc.

The WB has thus pointed out that actions which should take a few days to complete often take weeks. And again, activities such as reviewing procurement bids, selecting consultants, clearing officials for training courses and purchasing project vehicles which would take a few weeks to accomplish frequently takes several months the bank states.

#### Private Sector Praised

Dhaka THE BANGLADESH OBSERVER in English 17 Apr 84 pp 1, 12

[Text] Mr. Michael Wiehen, Director of South Asia Country Programme of World Bank on Monday appreciated the privatisation efforts of the Government of Bangladesh. The development of the country is possible through the growth of private sector, he added.

Briefing newsmen at the World Bank local office on the outcome of Bangladesh Aid Group meeting held last week in Paris, Mr. Wiehen said that the Aid Group meeting reviewed the economy of Bangladesh and listed some major achievements following certain policy reforms and adjustments.

He further said that the donors are committed to give continued aid to Bangladesh. The Government on its part is, however, expected to initiate some procedural improvements for quick implementation of development projects, he said.

Mr. Wiehen said that the Aid Group Paris meeting agreed on the necessity of broadening the tax base and reduction of subsidy. The need for removal of inefficiency in some of the public sectors were also discussed, he pointed out.

The meeting stressed the need for efficient use of resources and efforts for resource mobilisation, he said.

Mr. Wiehen said that domestic resource mobilisation and project implementation received top attention at the meeting.

He said that the donors, however, expressed their concern over the slow progress of projects implementation and expressed their intention to work with Bangladesh Government to remove the procedural complexities and bottlenecks.

He said that Bangladesh had good scope for development of traditional and small scale industries and fund for this would be available from the donor countries in this sector, he hoped. He also said that non-government organisations could play a vital role in the rural development effort of Bangladesh.

Replying to a question he said that World Bank had nothing to say regarding selection of foreign consultant and it is left to respective governments.

The World Bank executive said that the performance of Bangladesh in agriculture sector was also discussed and described the consistent growth of food production as a major achievement. Referring to population control programme of Bangladesh, he said that the donors appreciated the efforts in this sector.

This year there will be a record production of 16 million tons of foodgrains in Bangladesh and the donors described that there was enormous potentials in the agriculture sector, he said.

He said that agriculture, industry, education and training and population control would continue to get highest allocation of project assistance. He said that Bangladesh delegation made a very comprehensive statement before the Aid Group meeting.

Mr. Roger Row, Resident Representative of World Bank was also present on the occasion.

CSO: 4600/1822

HASINA ADDRESSES PEASANTS, SCORES ERSHAD REMARKS

Dhaka THE NEW NATION in English 20 Apr 84 pp 1, 7

[Text] Awami League President Sheikh Hasina yesterday demanded unconditional withdrawal of the "irrelevant remarks" President Ershad had made about the political leaders recently.

With an oblique reference to the President's remarks at the workers' rally at Tejgaon on Wednesday, the Awami League chief said that they opened dialogue to save the nation from impending danger and political crisis created by the military regime, not to capture power. "We shall go to power with the mandate of the people through election, we don't want to capture power through conspiracy", she categorically said.

Sheikh Hasina was addressing a big peasants rally at Sreepur High School field held in observance of the founding anniversary of the Krishak League. Presided over by Mr. Mohsin, Vice President of Krishak League, the rally was also addressed by Dr Kamal Hossain, Abdus Samad Azad, Zillur Rahman, Mrs Zohra Tajuddin, Mrs Ivy Rahman, Sheikh Abdul Aziz, Begum Matia Chowdhury, Amir Hossain Amu and K. M. Jahangir. Awami League leaders Abdul Mannan and Tofael Ahmed and Sramik League leader Ataul Karim Majnu were also present on the occasion.

The Awami League chief said, we wanted a peaceful solution of the present crisis through negotiation only to avert further aggravation of the situation. She warned that the government alone would remain responsible for failure of the dialogue.

She said, if President Ershad wanted to land in politics, he would have to do it leaving his uniform at the cantonment. She reminded him of the fate of his predecessor President Ziaur Rahman, who also captured power at gunpoint and formed political party. But, neither could remain in power nor could he bring stability in the country, she added. This process had started with the killing of Bangabandhu Sheikh Mujibur Rahman and it must be stopped, she said. Dispelling the rumour that the strength of the armed forces would be curbed if Awami League came to power she remained that armed forces during the Awami League regime none of the members of the armed forces were killed

Sheikh Hasina said that the present political crisis was not created by the politicians and any government that seized power through armed revolt could not do welfare to the people and the nation. She called upon the armed forces to go back to the barracks and demanded lifting of Martial Law and restoration of the rights of the people.

Reiterating the demand for parliamentary poll first, she urged the military government to hand over power to the elected sovereign parliament that would decide what the form of the government would be.

Referring to current dialogue, Sheikh Hasina said it will continue but simultaneously movement for realisation of five points also continue.

Expressing her uncompromising attitude regarding realisation of the 5-point demands, she said that the movement would continue till the demands were met. She, however, said that the alliance would continue dialogue with the government, but at the same time the movement would also continue on the streets to realise the demands.

Referring to the high prices of the agricultural inputs, the Awami League chief said due to anti-people policy of this government the number of landless peasants had increased and the farmers were being forced to repay the agricultural loans by selling their lands and bullocks. She protested the government policy to transfer the management of farm inputs to the private sector. She alleged that the poor peasants had to shoulder the burden of foreign loans that were being spent in the non-productive sector.

Criticising the government policy to impose hard doses of tax on the poor peasants Sheikh Hasina called upon her audience to unite under the banner of Awami League to build up movement against the exploitation and oppression.

She expressed the opinion that the present crisis could be solved only by the elected representatives of the people, not by any other government that had captured power at the gunpoint, "so we are demanding parliamentary election first," she said.

She also demanded trial of the killers of her father Bangabandhu and the four national leaders.

Dr Kamal Hossain in his speech said that the rural economy of the country had collapsed and about one crore youth were unemployed. Criticising the decentralisation of the government he said that the government had decentralised the bureaucratic corruption in the name of decentralisation of the administration.

He said that without a pro-people planning the total condition of the economy could not be improved. He called upon the people to unite again as they did under the leadership of Bangabandhu to establish their rights.

Abdus Samad Azad said that the people of this country would not compromise on the question of the 5-point movement. "We want parliamentary election first and we shall not allow holding of any election other than the parliamentary election on the soil of the country," he said.

TEXT OF ORDER REVIVING PARTS OF CONSTITUTION

Dhaka THE BANGLADESH OBSERVER in English 19 Apr 84 p 12

[Text] Following is the full text of the constitution (Partial Revival) order 1984 Chief Martial Law Administrator's Order No-a of 1984, according to BANGLADESH GAZETTE extraordinary of Mary 7:

Whereas it is expedient to revive in part certain provisions of the Constitution of the People's Republic of Bangladesh for the purpose of holding elections to the office of President and to Parliament and for matters connected therewith.

Now, therefore, in pursuance of the provisions of clause of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the Chief Martial Law Administrator is pleased to make the following order:--

1) Revival of certain provisions of the Constitution:--On the commencement of this Order, the provisions of the Constitution of the People's Republic of Bangladesh relating to and connected with the elections to the office of President, constitution and membership of and elections to Parliament, and oath of office of elected President, Speaker Deputy Speaker and members of Parliament shall stand revived, subject to the following conditions, modifications and amendments namely:--

a) elections to the office of President and to Parliament shall be held simultaneously on such date as the Chief Martial Law Administrator may be notification in the official Gazette appoint;

b) the election Commission shall, in accordance with this Order, the revived provisions of the Constitution and any other law, including any Martial Law Regulation of Order, held and conduct the elections to the office of President and to Parliament.

c) the constituencies delimited for the purpose of elections to Parliament held before the 24th March 1982 under the Delimitation of Constituencies Ordinance, 1976 (XV of 1976) shall be deemed to be the constituencies delimited for the purpose of elections to Parliament to be held after the commencement of this Order:

Provided that the Election Commission may make such amendments, alterations or modifications in the list of such constituencies as it deems necessary for the purpose of such elections;

d) the electoral rolls prepared for the purpose of elections to the local bodies under the Electoral Rolls Ordinance, 1982 (LXI of 1982), shall be deemed to be the electoral rolls prepared for the purpose of elections to the office of President and to Parliament.

Provided that the Election Commission may make such additions, modifications, correction and amalgamations, thereof or therein as it deems necessary for the purpose of such elections.

e) the person elected to the office of President shall enter upon that office on such date as the chief Martial Law Administrator may appoint.

f) the Chief Martial Law Administrator shall nominate a person elected as member of Parliament to act as Speaker until a speaker elected by Parliament enters upon his office.

g) the person nominated to act as Speaker shall, before he performs any function as such make and subscribe the oath or affirmation prescribed for a member of Parliament, before such person as may be designated by the Chief Martial Law Administrator.

h) the persons elected as members of Parliament shall, on such date or dates as the Chief Martial Law Administrator may appoint make and subscribe the oath or affirmation prescribed for a member of Parliament before the person acting as Speakers.

i) Parliament shall be summoned to meet on such date as the Chief Martial Law Administrator may appoint.

H. M. Ershad ndc. psc  
Lieutenant General

Chief Martial Law Administrator and Commander-in-Chief

Dhaka, The 3rd March, 1984.

CSO: 4600/1824

PRESS REPORTS ON ECONOMIC DEVELOPMENTS

Balance of Payments

Dhaka THF NEW NATION in English 11 Apr 84 pp 1, 8

[Article by Syed Badiuzzaman]

[Text] The overall balance of payment position of the country has improved with the deficit declining to 1287 million U. S. dollars, according to the latest estimate, from 1384 million dollars, as projected in the beginning of the current financial year.

The gap of the deficit of trade balance which includes only the import and export trade has also declined by 79 million dollars coming down to 1815 million dollars under the recently revised estimate, from the original projection of 1894 million dollars.

The most contributing factor to contain the ever increasing gap of deficit of the balance of payment is a considerable increase in the earnings of private transfer which is mainly attributed to a rise in the remittances of Bangladeshi nationals working abroad.

The amount of private transfer stood at an all time high figure of 620 million US dollars under the latest estimate while it was 600 million dollars under the preliminary projection in the beginning of the year. The break up of transfer during 1980-81, 1981-82 and 1982-83 is 381 million dollars, 385 million dollars and 598 million dollars respectively.

The positions of both the current balance and trade balance were worst in 1981-82 compared to the last few years when their gap of deficit increased to 1604 million dollars and 1920 million dollars respectively. Their respective deficits, however remarkably declined in last financial year to 1105 million dollars and 1591 million dollars.

It may be pointed out in this connection that with only exception in last financial year import demand since 1980-81 remained the same. The import bill was 2565 million dollars in 1980-81 while it stood at 2572 million dollars in 1981-82, 2310 million dollars in 1982-83, 2600 million dollars in current

year under preliminary projection, and at 2573 million dollars under the revised estimate. If the import demands decline further, the deficit of trade balance will be naturally narrowed down.

On the other hand although the export trade suffered a setback in 1981-82 it recovered in last financial year and continues to improve in the current year. The break-up of export earnings is: 741 million dollars in 1980-81, 652 million dollars in 1981-82, 719 million dollars in 1982-83. 706 million dollars under the preliminary projection of the current financial year and 758 million dollars under the revised estimate.

Official statistics show that the deficit of the current (overall) balance declined by 141 million dollars while that of the trade balance marginally by 9 million dollars compared to 1980-1981. During this period, the export earnings increased by 17 million dollars and the import bills went up by 8 million dollars.

#### Export Volume Declines

Dhaka THE BANGLADESH OBSERVER in English 8 Apr 84 pp 1, 12

[Text] The export of tea, leather, pharmaceuticals and raw cotton declined in terms of volume during the first seven months of the current fiscal year. The export earning, however, increased by 33 per cent during the same period mainly due to upward trend in export price in the international market.

The volume of export fell due to contraction of demand in some industrialised countries which are moving very cautiously to halt inflation for economic recovery. Besides, the refusal of Soviet Union to renew the barter protocol following the explosion of Soviet diplomats contributed to the decline in export of some items.

The fall in volume of export signals for the country the low productivity resulting in unemployment and low export earning when the price fluctuates. The international price for exports from the Third World countries is very uncertain. In the current year the price increased due to shortage of supply of some commodities. But this is not the permanent phenomenon. The efforts for increasing the volume by diversifying the market and improving the quality will help stabilise export earning.

The fall in tea export in terms of volume is alarmingly low during the first 7 months of the current fiscal year compared to the corresponding period last year. The export of tea has been estimated at 4948930 lbs till January this year compared to 5316500 lbs last year. The export of leather was 53.98 lakh square feet till January last year while the export during the same period stood at 53.02 square feet this year. The export of pharmaceuticals declined to 2032 kilograms as against 7720 kilograms last year. The export of glycerine was 55.90 kilograms last year which stood at 34 lakh kilograms in January this year. Besides the export of ginger and raw cotton declined to half this year.

The export of raw jute products, frozen fish and fish products have increased in terms of volume this year. The unit price of raw jute and jute goods also showed upward trend. Although the country exported about 12 lakh bales of raw jute till January this year, compared to 11 lakh bales last year, it is apprehended that the target of exporting about 18 lakh bales of raw jute may not be achieved due to low productivity.

The Government has highlighted the achievement of higher export earnings this year by releasing the figures in terms of Taka. The Taka income increased due to exchange rate fluctuations. However, the export earnings increased in real terms this year. But the economic circles stress the need for increasing the volume so that the sudden fall in unit price of the exportables may not offset the foreign exchange earnings.

#### Export Target Fulfilled

Dhaka THE BANGLADESH OBSERVER in English 8 Apr 84 pp 1, 12

[Text] The Commerce Minister, Dr M A Matin, said on Saturday the country fulfilled 77.76 per cent of the export target of the current fiscal year by now as the governmental measures to increase export earning yield results says BSS.

Inaugurating the second workshop on international accounting standards the Minister said in last eight months the export earning stood at taka 1360.74 crores against the annual target of taka 1,750.00 crores showing the improvements.

The Government he said took measures last financial year and this year to offset the adverse effects of global economic recession by making concerted efforts to boost export. Last year the improvement was to the extent of 28.7 per cent over that of previous year.

The Minister said in terms of the proportionate average target for the last eight months the increase meant an improvement in Taka terms to the extent of 16.64 per cent over the target.

This he added also represented an increase of 32.96 per cent over last year's performance for the corresponding period in taka terms. In dollar terms the increase was 26.73 per cent. Considering the fact that export price index also rose by 1573 per cent over the period the net volume increase was 11.42 per cent.

#### Taka Depreciates Against Dollar

Dhaka THE BANGLADESH OBSERVER in English 17 Apr 84 pp 1, 12

[Text] The value of Taka in terms of US dollar has recorded a steady decline over the last few weeks. In the secondary exchange market under the Wage Earners' Scheme (WES), Take depreciated on Wednesday to the level of Taka 27.70 per US dollar

The depreciation of Taka in the secondary exchange market has been registered at 5.64 per cent over the first nine months and eleven days of the current fiscal year (1983-84). Under the WES operations, one US dollar sold at Taka 26.22 at the end of June '83.

Under the official exchange rate mechanism, Taka depreciated by 2.86 per cent so far during the current fiscal year. After the last official exchange rate adjustment on February 23 '83, Taka dollar rate stands now at Taka 25.20 per US dollar as against Taka 24.5 per US dollar in June last. There was a relative stability in official exchange rate following the pegging of Taka to US dollar (as the intervention currency) in January, '83 when Taka-dollar rate was fixed at Taka 24.5 per US dollar. No depreciation of Taka vis-a-vis the intervention currency was warranted since then till November last.

But the official rate of exchange witnessed depreciation of Taka from December last. Under the exchange arrangement made effective in January, '83 when dollar was chosen as the intervention currency alongwith a switch-over from a currency weighted basket method to a trade weighted basket method Taka is to be depreciated officially vis-a-vis the intervention currency to the extent required when the average of indices of real effective exchange rates for the last three months notably exceed the bench-mark level at 100.

The operators in the secondary exchange market under the WES predict that unofficial rate of exchange of Taka vis-a-vis US dollar will depreciate further. Higher demands for funds for import of edible oil palm and soyabean), milk power, cement and other consumer items on the eve of the coming Ramzan have generated the pressure in the wage earner's market, they note. The readymade garments industries sector, in which a large number of units have already become operational and several more await commissioning has also created new demands on the WES for the import of raw materials as well as capital machinery they point out.

The trading circles not that the import operations under the WES have recorded a expansion over the past few months because of poor level of authorisation of import licences under cash during the current financial year. Most of import licences both for industrial and commercial items have been authorised under barter and commodity assistance so far in 1983-84 since allocation under barter and commodity assistance has not been sufficient to meet the requirements, there has been greater dependence on the secondary exchange market for procurement of funds for meeting the import requirements, they point out.

According to the same trading circles, the remittances, under the WES have not been matching the demands for WES funds. They alleged that a powerful ring is operating in the Middle East market to divert a substantial amount of savings by Bangladeshi wage earners there to third foreign countries and such transfer of savings of Bangladeshi working abroad from one foreign country to another has been responsible for a considerable amount of loss in foreign exchange earnings of Bangladesh from remittances.

Meanwhile, the closure of banking operations on Fridays as weekly holidays under the new arrangement has exposed the commercial banks transacting in foreign exchange to a new situation in the international exchange market. There

is no transaction in the international exchange markets on Saturdays and Sundays.

The commercial banks operating in foreign exchange have to depend on exchange rates quoted in the New York Exchange on Wednesdays for Saturdays' transactions in the country. The movements of major international currencies in New York Exchange Market which provide the main basis for foreign exchange rate quotations by banks in Bangladesh have lost much of their immediate relevance in the present context, a responsible banker working with a foreign banker in Dhaka told this correspondent.

As the banker explained, the rates quoted in New York Exchange Market are received here one day after and given effect on the following day after the receipt of the quotations Fridays' closing rates are effective for foreign exchange transactions by banks in Bangladesh for their Sundays' transactions and the rates of New York Exchange Market on Mondays' are effective for Wednesday's operations, he added.

The exposure to the new situation will deprive the banks in Bangladesh of what he termed 'spread benefits' in international exchange operations. Bangladesh Bank providing the exchange risk coverage as the central bank is also likely to incur exchange loss under the present operations for belated actions in the light of movements of exchange rates in New York market.

But the Bangladesh Bank sources have strongly contested the claim that the arrangement for weekly holiday on Fridays for banking transactions have exposed the country to any new risk factor at all. 'We always cover the exchange risk through forward transactions in the international market' the source maintained.

#### Growth in GDP

Dhaka THE BANGLADESH OBSERVER in English 19 Apr 84 p 1

[Text] World Bank (WB) on the basis of its assessment of performance of Bangladesh economy has put the country's economic growth rate at 4.3 per cent for 1983-84.

The Government in its latest review has estimated the growth rate at a higher level. According to official estimates, gross domestic product (GDP) will grow by 5.3 per cent in 1983-84 as against the original projection of 6 per cent for the year.

The WB assessment is contained in its report "Bangladesh: Current Economic Trends and Development Administration", released this month for "official use only". The Government's review about economic performance in fiscal year 1983-84 was made last month.

The sectoral growth scenario, as presented in WB report, puts the country's agricultural growth performance at 4.3 per cent, manufacturing 4.1 per cent,

construction and utilities 5 per cent trade and transportation 5.4 per cent and other services 2.5 per cent for 1983-84. The Government has estimated the growth performance at higher levels for agricultural and industrial sectors for the current year. For agricultural sector, the official growth rate has thus been put at 3.5 per cent and that for industrial (manufacturing) sector at 5.7 per cent.

Even the official growth rate for the last financial year (1982-83) stands at a level higher than that of the World Bank made in its latest report. The Government estimated the growth rate of the country's gross domestic product for 1982-83 at 3.7 per cent while the WB reported the same at 2.9 per cent.

Meanwhile, the assessment of budgetary prospects, as made by the WB in its 172-page report, indicates that recurrent revenues of the Government in 1983-84 would fall about Taka 4.5 billion or 13.5 per cent short of original projection. Most of this shortfall will arise from lower collection of customs duties and sales taxes since both the value of imports and the dutiable proportion of imports will be lower during the year than originally anticipated. The recurrent expenditures (revenue expenditures) of the Government will, however, remain broadly in line with original targets.

The large shortfall in domestic resources availability, the World Bank notes, will lead to constraints in funding the Annual Development Programme (ADP) for 1983-84. To some extent, this shortfall in domestic financing to support the ADP is expected to be offset by savings in food budget. Domestic foodgrain procurement is likely to be not higher than two lakh tons, compared to the original food budget figures of seven lakh tons. This will result in a substantial saving despite some additional imports from the Government's own resources to maintain a minimum public foodgrain stock at the end of fiscal year 1984.

Though the revised ADP for 1983-83 is yet to be approved by the Government, the WB has estimated that the resources for ADP financing from domestic and external resources will have to be reduced from Taka 34.8 billion to Taka 31.2 billion. The ADP for the current fiscal year may have to be reduced in its financial size even further below the level of Taka 31.2 billion if the Government's expectations about raising Taka 1000 million through savings instruments like the new two-year treasury bonds and the new five-year savings and certificates are not realised.

#### ADB Sees 'Modest Growth'

Dhaka THE BANGLADESH OBSERVER in English 19 Apr 84 pp 1, 12

[Text] Bangladesh economy recorded a modest growth last year with an increase of about 3.3 per cent in the period of comparison to 0.8 per cent of the previous year, says the annual report of the Asian Development Bank (ADB) for 1983, reports BSS.

The improvement in the growth rate during the period came from increased agricultural production as well as a growth oriented policy measures adopted

in the budget for the financial year (FY) 1983, the report said. It noted that the budget policies were aimed at mobilising resource and providing greater scope for the private sector.

The report while making a review of the economies of the member countries in its country note said, foodgrain production in FY 1983 was significantly higher than even the previous record production level reached in 1981. The agriculture sector as a whole achieved growth of 4.3 per cent. The report, however, pointed out manufacturing output declined by 1.6 per cent. The demand for manufactured products was weak because of restrictive fiscal and monetary policies pursued by the Government and depressed agricultural production and income during 1982-83. Despite higher food production, additional foodgrains had to be imported under aid programmes as food demand increased at an even faster pace due to population growth, it said.

The report said, in 1983 inflation rate in Bangladesh was reduced to 6.9 per cent from 12.9 per cent in 1982 despite upward adjustments in the prices of some goods and services provided by the Government. The balance of payments and the budget were under better control during the period under review due to restrained public expenditure and imports. During the period major public sector showed an overall profit, it said.

The report said, export earning of the country during the period increased by 10 per cent boosted by some recovery in the prices of jute goods, while import payments were 10 per cent less than FY 1982 levels owing to the slowdown in the import of capital goods, raw materials and some consumer goods.

The remittances from abroad increased by 45 per cent. As a result, the balance of payment position improved substantially recording an overall surplus of 234 million dollars in FY 1983 compared with deficit of 142 million in FY 1982.

The ADB annual report also touched the budget for 1984 and said it maintained the drive towards domestic adjustments initiated in the previous budget. In real terms Government expenditure during FY 1982 is being maintained at about the same level as in the FY 1983 budget.

It said during the period major steps were taken to mobilise more resources through improvements in the collection and coverage of taxes and higher prices of rice and wheat were raised and the scope of foodgrain rationing was reduced. In the area of external trade, the report said the Government liberalised imports while the values of the currency was allowed to depreciate.

CSO: 4600/1824

YUGOSLAV AMBASSADOR INTERVIEWED ON JOINT VENTURES

Dhaka THE NEW NATION in English 1 Apr 84 pp 1, 8

[Article by Matiur Rahman]

[Text] Bangladesh and Yugoslavia are going to undertake a number of joint ventures, mostly in the private sector, to promote further the economic cooperation between them.

In an interview with this correspondent in Dhaka, the Bangladesh Ambassador to Yugoslavia, Mr A. K. M. Nazrul Islam said the two countries have already identified "new areas" for expanding their bilateral economic cooperation.

The Ambassador said following the decisions taken at a high level by the two governments, both the sides--the public enterprise in Yugoslavia and the private entrepreneurs in Bangladesh--have made new efforts for undertaking joint ventures.

"There is immense prospect of undertaking such joint ventures in different industrial fields to Bangladesh and I am very optimistic about the success in this regard," Mr. Islam said.

Mr. Nuzrul Islam, who left for Belgrade on Monday after his stay at home for over a month, said he himself had initiated the process for undertaking joint ventures by the two countries.

A delegation of public enterprise from Yugoslavia, meanwhile, visited Bangladesh recently to explore the possibilities of such ventures. Another technical expert from Belgrade is also expected to visit Dhaka soon.

The two sides so far identified fields like fish processing, silk industry, garments industry, jute and agricultural products like potato and other vegetables for undertaking jointly in the private sector for mutual benefit of the two countries.

The giant public enterprises in Yugoslavia may be interested in other fields apart from textiles as they are studying the prospect of such joint ventures with Bangladesh.

Besides economic cooperation, the two countries have also made "new efforts" to diversify and boost their bilateral trade, the Ambassador said.

The both-way trade volume is expected to be double during the current year as the two countries have taken appropriate measures to give a fillip to their bilateral trade.

The bilateral trade remained more or less in a morbid stage in last decade as the both-way volume was only worth a few million dollars annually under barter agreement. Now new efforts are being made to make it "substantive and diversified" for the mutual interest of the two countries, he said.

"Many of our products like jute carpet, silk are highly appreciated and there is good demand for these products in Yugoslavia and other parts of Europe," Mr. Islam said and added that the Bangladesh products would be displayed in the forthcoming Zagreb International Fair and the agricultural Fair and the agricultural fair in Novisad with a view to popularising them.

In both fairs, non-traditional items from Bangladesh will be placed on display.

Mr. Nazrul Islam who took up the ambassadorial job in Yugoslavia in July 1982 feels happy for his diplomatic assignment there for the warmth and sincere feeling of the Yugoslav people and government for Bangladesh.

The two friendly countries have been maintaining their regular and routine contacts at all levels including the highest level since they set up their diplomatic relations in 1972.

CSO: 4600/1824

REPORTAGE ON ERSHAD DIALOGUE WITH PARTY GROUPS

Seven-Party Demands

Dhaka THE BANGLADESH TIMES in English 10 Apr 84 pp 1, 8

[Text] The dialogue between the government and the seven-party combine could not take place as scheduled at 7 p. m. on Monday following refusal by the combine leaders to sit across the table with Prime Minister Ataur Rahman Khan.

The 7-party combine led by Begum Khaleda Zia went to Bangabhaban at 7-15 p.m., submitted a memorandum and left in five minutes saying it was 'difficult' for them to discuss their demands in presence of the Prime Minister.

Asked by the newsmen to comment Mr A R Yusuf, Special Assistant to the President posed a counter question "can one party determine the composition of the other party?"

Explaining their refusal to participate in the dialogue in presence of the Prime Minister, combine leader Begum Khaleda Zia said, at a press conference immediately after leaving the Bangabhaban that she had told President Ershad about their readiness to join in the talks. "We shall go again if he (Mr. Ataur Rahman Khan) is not there. We can not sit with a person who betrayed with the five-point demands", she said.

After the brief and unexpected happening Mr A R Yusuf briefed newsmen at Bangabhaban and BNP leaders headed by Begum Khaleda Zia briefed newsmen at the Jatiya Press Club. Except BNP leaders, none from the other component parties of the 7-party alliance were present when Begum Zia briefed newsmen.

Briefing newsmen at Bangabhaban in presence of Home Minister Major General Abdul Mannan Siddiqui and Establishment Minister Major General Mahabatjan Choudhury, Special Assistant to the President Mr A R Yusuf said that the 7-party alliance led by Begum Khaleda Zia, Acting Chairman of BNP came to Bangabhaban at 7.15 p. m. in response to the invitation by the President for a dialogue to discuss national issues including their 5-point demands.

The alliance, Mr Yusuf said was received at the portico by the Home Minister and the Special Assistant and were taken to the lounge where they were received by

the President and had a couple of minutes exchange of pleasantries. The President along with the Home Minister and the Special Assistant and alliance leaders then walked together to the Conference Room.

Mr Yusuf said that Begum Khaleda Zia in her opening remarks stated that the government had already met the pre-conditions set by the alliance and, therefore, the alliance had come to participate in dialogue on the basis of 5-point demands.

During the dialogue the alliance submitted a written note containing 33-points grouped under 12 heads and this was submitted in support of their demands.

Mr Yusuf said that Begum Khaleda Zia, however, further stated that it was difficult for herself and the alliance to discuss their 33-point demands in presence of the Prime Minister. The alliance leaders then left the Conference Room after five minutes and they were seen off at the portico by the Home Minister and the Special Assistance.

The government was examining the 33-point demands submitted by the alliance, he said.

Mr Yusuf informed newsmen that political dialogue between Jamaat-e-Islami and the government would be held today (Tuesday) at 7.30 p. m. Dialogue with the 15-party alliance would also likely to be held, subject to their confirmation, today (Tuesday).

In reply to a question Mr A R Yusuf said that President Ershad was making efforts consistently for a dialogue to reach consensus on national issues. The door was never closed and "we will continue to make the effort".

He told another questioner that any responsible demands would be examined by the government to facilitate reaching a national consensus.

Asked to comment on the legality of the appointment of Prime Minister raised by BNP leader Shah Azizur Rahman, Mr Yusuf said that there was no constitutional bar. Under the Constitution ministers included Prime Minister. Further more, the question was not even raised in the 33-point memorandum submitted by the 7-party leaders.

He counter question another questioner "can one party determine the composition of the other party" in the dialogue. He was referring to the reason given by 7-party alliance for leaving the conference room without having discussions with the government side.

The 7-party alliance was represented at the abortive dialogue by Begum Khaleda Zia, Prof. A. Q. M. Badruddoza Choudhury, Shah Azizur Rahman, Mirza Golam Hafiz and Capt. (retd) Abdul Halim Choudhury of BNP; Kazi Zafar Ahmed and Mustafa Jamal Haider of UPP; Abdur Rab Choudhury and Principal Irshadullah of Democratic League; Mr Tipu Biswas and Mr Abdul Matin of Biplobi Communist League; Mr Ali Ashraf and Kazi Shahiduddin Ahmed of NAP and Mr Sirajul Hossain Khan and Mr Anwar Zahid of Ganotantric Party.

President Lt. Gen. H. M. Ershad's team was constituted by DCMLAs Rear Admiral M. A. Khan, Air Vice Marshal Sultan Mahmud, Prime Minister Ataur Rahman Khan, Minister for Food Air Vice Marshal (Rtd) A. G. Mahmood, Foreign Minister A. R. S. Doha, Minister for Law K. A. Bakr, Minister for Home Affairs Maj. Gen. Abdul Mannan Siddiqui, Minister for Local Government Mahbubur Rahman, Minister for Agriculture A. Z. M. Obaidullah Khan, Minister for Education A. Majid Khan, Minister for Establishment Maj. Gen. Mahabatjan Chowdhury and Special Assistant to the President Mr A. R. Yusuf.

Begum Khaleda Zia while briefing the newsmen at the Jatiya Press Club said that they had handed over a memorandum containing the proposals and demands of the alliance drafted on the basis of the five-point demands to the government before she left the Bangabhaban.

The memorandum was read out to newsmen by Prof. Badruddoza Choudhury, Secretary General of BNP (S).

Despite the conspicuous absence of the six other components of the seven-party alliance at the press briefing held unannounced Begum Zia denied that there any difference or rift in her amance on the question regarding Mr Ataur Rahman Khan. She explained that due to lack of communication gap others could not come.

Begum Zia, accompanied by Prof B. Choudhury, Shah Azizur Rahman, Mirza Golam Hafiz, Mr Atazuddin Faqir, Barrister Rahqul Islam Mia, Mr Abul Kashem and Lt. Gol. (rtd) Zatar Imman came to the Press Club at about 8-10 p. m.

She waited till 9 p. m. for leaders of the other component parties to arrive, and in the meanwhile, some BNP leaders were frantically trying to contact them. But it appeared that the leaders of the six parties were reluctant to associate themselves with the press briefing feeling let down by combine's strongest partner.

According to sources there had been no formal decision of the alliance on the issue of Mr Ataur Rahman Khan.

The combine leaders, however, assembled at BNP (S) central office later at 10 p. m. and they 'dismissed' the chances of any split in the alliance.

Shah Azizur Rahman explained the alliance's position vis-a-vis Mr Ataur Rahman Khan to newsmen.

Shah Aziz said that since he (Mr Ataur Rahman Khan) was a singatory to the five-point demands there could not be any dialogue with him. He said that they had repeatedly communicated this to the government.

He further said that there was no scope for a Prime Minister under the Martial Law proclamations made by the government which only stated that the CMLA could appoint or dismiss President and advisers.

He further said that under Article 58 of the Constitution the Prime Minister was an institution different from the council of ministers. A Prime Minister

under the Constitution had to be a member of the Parliament holding confidence of the majority of the members. Since this provision was not amended and no Parliament was in existence a Prime Minister's presence in the dialogue was not justified.

The action of the 7-party alliance surprised political circle and they were of the view that it was possibly the outcome of infight inside Bangladesh Nationalist Party (BNP).

There was also adverse reaction among the general public who were closely following the political development in the country. They said that the 7-party alliance's action would only benefit those who were trying to destabilise the political situation.

It may be mentioned that political dialogue scheduled to be held on April 3 between the government and the 7-party alliance could not be held due to non-appearance of the alliance. On both the occasions date and time for dialogue was given by Begum Khaleda Zia herself.

[11 Apr 84 p 3]

[Text] Following is the remaining portion of the memorandum submitted to President and CMLA Lt Gen H M Ershad by Begum Khaleda Zia and other leaders of the Seven-party alliance at a dialogue at Bangabhaban on Monday:

The alliance demanded holding elections to Jatiya Sangsad on schedule on May 27.

It called for taking eight-point constitutional, administrative measures to ensure free, impartial and peaceful parliamentary polls.

The measures demanded by the alliance are: necessary amendment, addition to and changes in the March 24 1982 Martial Law proclamation to make it consistent with the related clauses of the suspended Constitution; creation of an atmosphere so that Election Commission can work independently and impartially and restoration of related provisions and clauses of the suspended Constitution in this respect, repeal of the Constitution (Partial Revival Order) 1984; the President should resign from the post of Chief of Army Staff in the interest of holding free, fair and impartial elections; no member of the Council of Ministers should participate in elections while in office; repeal of the Clause Number three of the representation of the People (Amendment) Ordinance, 1984; repeal of the Clause Three of the Presidential Election (Amendment) Ordinance, 1984 and Repeal of the Clause Two (B) of the Proclamation Order One of 1984.

The alliance called for immediate restoration of the preamble to the suspended Constitution, basic state principles and human rights (from Clauses Eight to Twenty-five of the suspended Constitution); restoration of fundamental rights (from Clauses 26 to 46 of the suspended Constitution) and writ-jurisdiction of the High Court Division of the Supreme Court as per the provision of 102 of the Constitution and restoration of Supreme Judicial Council according to Clause 96 of the suspended Constitution.

The alliance called for rescinding all conviction orders and verdicts against those former Ministers, State Ministers and Parliament Members who were tried in Special Martial Law Tribunals. It said all cases against former Ministers or State Ministers should be lifted immediately. It also demanded release of all who are convicted and jailed as co-accused in the cases against former Ministers or State Ministers.

The alliance further pressed for release of political leader and workers and all student leaders of educational institutions including universities convicted by Martial Law Courts immediately and lifting of cases and warrant of arrests against political leaders, workers and ordinary citizens in connection with movement of restoration of democracy.

The alliance said all candidates irrespective of party affiliation and opinion should be given equal facilities in the interest of holding impartial election.

The alliance observed that the responsibility for formulating national education policy should be vested with elected representatives of the people.

It called for publication of a full list of those killed and injured in movements beginning from February 14, 1983 and appropriate compensation to their families. It also demanded punishment to those responsible for the incidents.

The alliance said legitimate demands of professional people including workers, lawyers, journalist, teachers should be fulfilled and unrestricted trade union rights to workers be given.

The alliance demanded release of the funds of political parties frozen by the Martial Law Government.

It said independence and neutrality of judiciary should be ensured.

The alliance called for unrestricted freedom to publish all news and opinion in newspapers.

It said prices of the essentials should be brought within the purchasing capacity of the people and law and order should be improved.

#### Jamaat Stand

Dhaka THE BANGLADESH TIMES in English 11 Apr 84 pp 1, 8

[Text] The first round of political dialogue between the government and Jamaat-e-Islami was held in Bangabhanban on Tuesday evening and both sides agreed to meet as many times as required.

At the dialogue Jamaat submitted a memorandum containing various demands including withdrawal of Martial Law, restoration of suspended Constitution and transfer of power to non-political government during transition to democracy.

The two sides agreed to form a 6-member joint committee to examine in details the memorandum submitted by Jamaat and submit a report to the President for consideration, Mr A. R. Yusuf, Special Assistant to President, told newsmen while briefing about the dialogue.

Mr Yusuf said that President H. M. Ershad nominated Air Vice Marshal (Retd) A. G. Mahmood Minister for Food Minister for Labour and Manpower Development, Air Vice Marshal (Retd) Aminul Islam and Minister for Local Government Mr Mahbubur Rahman to represent the government side at the joint committee. Jamaat would announce its nomination later.

The first round of dialogue between the two sides lasted for about one and a half hours starting at 7-45 p. m. There was detail discussions between the two sides, Mr Yusuf said.

At the beginning of the dialogue President Ershad welcomed them and thereafter Mr Mohammad Abbas Ali Khan, Acting Amir of Jamaat-e-Islami who was leading his party's delegation read out a written note as party's stand on different issues.

The Special Assistant to the President said that outside their written note the Jamaat appealed to the President to consider lifting restriction on trade union activities imposed by Industrial Relations Regulation Ordinance, 1982 (IRRO). The President assured Jamaat leaders that he would shortly make an important announcement in this regard.

The Jamaat leader, he said, also appealed to the President to consider granting citizenship to Prof. Ghulam Azam. The President heard the appeal with patience.

Mr Yusuf said that at the dialogue it was further agreed that apart from committee meetings both the sides would meet as many times as required.

The dialogue ended with a munajar led by Mr Mohammad Abbas Ali Khan. The prayer was for the safe journey to democracy.

Earlier, when the 7-member Jamaat delegation reached Bangabhaban at 7.35, they were received at the portico by Home Minister Major General Abdul Mannan Siddiqui and Special Assistant to President Mr A R Yusuf. At the lounge they were received by the President and together they went to the conference room.

The members of the Jamaat's team were Mr Mohammad Abbas Ali Khan, Acting Amir; Mr Shamsur Rahman, Nayeb-e-Amir Maulana Abul Kalam, Mohammad Yusuf, Secretary General Mr Matiur Rahman Nizami, Asst. Secretary General; Mr Yusuf Ali Joint Secretary; Alhaj Mohammad Shafiqullah, Labour Secretary and Mr Ali Ehsan Mohammad Mujahed, Amir, Dhaka city.

President Ershad was assisted by his full team--DCMLAs Rear Admiral M A Khan; Air Marshal Sultan Mahmud; Prime Minister Ataur Rahman Khan; Minister for Food AVM (Retd) A G Mahmood, Foreign Minister A R Shams-ud Doha; Minister

Labour AVM (Retd) K M Aminul Islam; Minister for Law K A Bakar; Minister for Home Major General Abdul Mannan Siddiqui, Minister for Local Government Mr Mahbubur Rahman; Minister for Agriculture A Z M Obaidullah Khan; Minister for Education Dr Abdul Majid Khan; Minister for Establishment Major General Mahabat-jan Choudhury and Special Assistant to the President Mr A R Yusuf.

Latter while releasing the memorandum to newsmen at the briefing at the Jaitya Press Club after the dialogue Mr Abbas Ali Khan, Acting Amir and other Jamaat leaders said that to overcome the present crisis they had called for an interim government. They suggested a government either under Chief Justice or under the Chief Martial Law Administrator, if he stayed away from active and party politics.

Regarding the alternative proposals amending the party's earlier stand of an interim government headed by the chief justice Mr Khan said, "we can not be too rigid because we want to resolve the crisis."

The conditions for the CMLA to lead a non-political government were that as a head of state, neither he nor any Minister of his cabinet would become a candidate in the election nor they would maintain any affiliation with any political party.

The memorandum pointed out that even if the government conceded the demand for holding parliamentary polls first the crisis would remain so long as the government did not go for formation of a non-partisan and non-political government. Such a government would be able to conduct free and impartial elections since its President or ministers would not be members of any political party of seek elections while holding public office.

On other issues the six-page memorandum demanded that all fundamental rights specified in the Constitution including the right of writ should be revived, all Martial Law courts should be folded and posts of Martial Law Administrators be abolished excepting that of the CMLA.

The party also called for cancelling the amendments to the Constitution made on March 7 and suggested that if there was any constitutional problem in handing over power to the elected government necessary measures could be taken in consultation with the political parties.

But the memorandum did not specify anything regarding the date for elections to the Parliament saying that it was useless to talk about polls date so long as it was not clear whether the elections would be held under a non-partisan government. "We are yet to know if the crisis is going to be resolved or whether we may have to accelerate the democratic movement instead of contesting the elections. The date for election may only come with the resolution of the current crisis", it noted.

On the Jamaat's concept for Islamic state and democracy the memorandum explained that it wanted that the country be run by the people through their elected representatives in accordance with the canons of Allah the Almighty. It pointed out that "Islam is the best safeguard for the independence of the country. If the nation was enriched with Islamic concept and character there would be no danger of independence being undermined".

On the outcome of the one hour 45 minute talks Mr Abbas Ali Khan said that he did not find any reason to become pessimistic since talks would continue.

Answering a question the Jamaat leader said that they were in touch with the seven-party combine and the 15-party alliance. Regarding the issue of Mr Ataur Rahman Khan's presence at the dialogue they said the Prime Minister was present during the talks but he did not participate in the discussions.

#### Standing Committee Formed

Dhaka THE BANGLADESH TIMES in English 11 Apr 84 p 1

[Text] Janadil has formed a 25-member "high-powered" Standing Committee with party Acting Chairman Mr Mizanur Rahman Chowdhury as the Chairman and Mr Reazuddin Ahmed as the Secretary General.

According to a party Press release on Tuesday, 23 other members of the Standing Committee were: Messrs. Shamsul Huda Chowdhury, Prof. M A Matin, Shah Moazzem Hossain, Ali Amjad Khan, Abu Naser Khan Bhashani, Shamsul Hoq, Upendra Lal Chakma, M A Huq Col (Retd) Amwarullah, Sunil Gupta, Safiqul Ghani Swapan Abdulabri Warsy, M A Sattar Sheikh Shahidul Islam, Md Shahjahan, Khalequzzaman Chowdhury, S A Khaleque, Azizur Rahman, Afsaruddin Chittagonj A K Majibur Rahman (Bogra), Md Shahidullah and Begum Khaleda Habib.

Meanwhile, Mr S A Khaleque, Convener of Janadil Khaka city sub-council, has been made a Joint Secretary General of the Central Executive Council of the party.

A meeting of the Vice-Chairmen and the Secretaries of the Central Executive Council of the party will be held the central office of Janadil at 7 p. m. today (Wednesday), the Press release said.

#### Nine Parties Join

Dhaka THE BANGLADESH TIMES in English 22 Apr 84 pp 1, 8

[Text] Nine political parties on Saturday announced their decision to join Janadil to resolve political crisis faced by the country and nation.

Announcing the dissolution of the parties and their joining Janadil, advocate Golam Rabbani told a Press conference at the Jatiya Press Club that they were confident about the transition to democracy under the dynamic leadership of President and Chief Martial Law Administrator Lt. Gen. H. M. Ershad. He said that General Ershad had a good and sincere intention to establish democracy in the country.

The parties which joined Janadil are: Social Democratic Party, Liberal Democratic Party, Janagantantri Dal, People's Democratic Party, Bangladesh Democratic Party, Banglar Communist League, National Awami Party, Jatiya Gana Shakti and Krishak Sramik Party.

Mr Rabbani said that a steering committee had been formed when they joined Jatiya League. But since the committee failed to achieve its objectives, they decided to join Janadal.

Meanwhile, the presidents and general secretaries of these parties have been nominated members of the Central Executive Committee of Janadal.

They are: Barrister M. A. Rab, Barrister M. A. Jalil, Advocate Shamsul Huda, Mr Bashiruddin Ahmed, Advocate Ruhul Amin Khan, Mr Shahidur Rahman, Mr M. A. Hannan, Lt. (Retd) Habibur Rahman, Sheikh Abdul Latif, Mr Mainul Islam, Advocate Abdul Bari, Mr M. A. Raul, Advocate Abdul Hamid Shah, Dr Rafi Ahmed Las-kar, Maj (Retd) Abdur Rashid, Advocate Abdullah Al-Naser, Advocate Colam Rab-bani and Advocate A. K. M. Shamsul Karim.

CSO: 4600/1825

OFFICIAL INTERVIEWED ON ERSHAD OBJECTIVES

Dhaka THE BANGLADESH TIMES in English 16 Apr 84 pp 1, 8

[Article by Ahmed Fazi]

[Text] The communication gap between the Government and the major political parties has been greatly removed and all channels of communication between the two sides are now open. President's Special Assistant A. R. Yusuf said on Sunday.

"Now anyone (in the Government) can talk to anyone (in the political parties) without conceding their respective positions." Mr. Yusuf told the BANGLADESH TIMES in an interview.

Referring to the current dialogue between the Government and the two alliances--15 and 7 parties--and Jamaat-e-Islami, Mr Yusuf said that it established the fact that all those who were sitting across the table had the interest of the country uppermost in their minds irrespective of political and ideological differences.

"There is a better appreciation and understanding of the respective points of view," Mr. Yusuf said.

Mr. Yusuf said that President Lt. Gen. H. M. Ershad had taken many significant steps during the last few months including release of a large number of political detenus many of whom had been in prison long before the present Government took over, to create a climate for a successful dialogue. President Ershad had even personally talked to many political leaders even ignoring protocol at times.

"In the dialogue, the President is maintaining an open mind so that the nation can find out a solution to the national issues," Mr. Yusuf said.

Mr. Yusuf said that the most important national issue that 'we confront today is the transition to democracy through peaceful national elections.'

He stressed that President Ershad categorically stated while taking over the reins of administration on 24 March, 1982 that his main objective was to restore democracy in the country and install an elected government.

Mr. Yusuf pointed out that President Ershad did not abrogate the Constitution but only suspended it and announced that the suspended Constitution would be revived when democracy was restored.

He said that President Ershad did not, therefore, make any basic change in the constitution and administered the country by a proclamation.

Mr. Yusuf said that it was a prudent decision by President Ershad not to abrogate the Constitution because in that event many of the settled issues would have become unsettled again.

"President Ershad believes that the Constitution is a sacred document and should not be amended by him," Mr. Yusuf emphasised.

Referring to the March 3, 1984 Constitution (partial revival) order 1984 which was published in the Gazette on March 7, Mr. Yusuf said that President Ershad as Chief Martial Law Administrator promulgated the order called CMLA Order No. 1 of 1984 whereby certain provisions of the constitution were revived exclusively for the purpose of holding elections of the President and Parliament. "He (President) did not amend the Constitution by Martial Law," Mr. Yusuf said.

Mr. Yusuf stressed that President Ershad announced presidential and parliamentary elections in May and November, 1984 respectively and then changed to simultaneous holding of the two elections on May 27 after his dialogue with 52 parties in January-February.

He claimed that President Ershad was the only military Head of Government in contemporary history who had gone all out to restore democracy through elections.

"Bangladesh is the only example where the Armed Forces under the leadership of President Ershad are trying for a peaceful transfer of power," Mr. Yusuf said.

It is necessary now to fix the dates of national elections and ensure a safe journey to democracy enabling the restoration of the suspended constitution, Mr. Yusuf added.

CSO: 4600/1821

PRIME MINISTER URGES COOPERATION IN TRANSITION

Dhaka THE BANGLADESH OBSERVER in English 23 Apr 84 pp 1, 10

[Text] Dhamrai, Dhaka--Apr. 22:--The Prime Minister Mr Ataur Rahman Khan today sought the cooperation and support of the people in the discharge of the onerous responsibilities entrusted to him by President Lt. Gen. H M Ershad to help him in the process of transition to democracy reports BSS.

Speaking at a mass-reception given in his honour by the people here the Prime Minister said he had accepted the premiership being fully convinced about the sincere intention of the President to transfer power to the representatives of the people.

The Information Minister Mr Shamsul Hoq who was also present at the largely-attended reception expressed his confidence that Mr Ataur Rahman Khan would play a very important role in the process which is now under way for the peaceful transfer of power.

The Prime Minister said at this old age he had nothing to gain but to give only. The country is now passing through a political and economic crisis and 'my efforts' were aimed at helping the national overcome the crisis he added.

Mr Khan said the present Martial Law regime was not in favour of prolonging the Army rule. On the other hand he added they are very keen to hand over power to the people's representatives at the earliest possible time.

The Prime Minister said he believed that the political economic and other problems would be solved more easily once the democracy is established in the country and the representatives of the people translate their mandate into reality.

The Prime Minister said though the present military Government is not an elected one, they are well aware of the problems of the country and are trying their most to solve those in keeping with the hopes and aspirations of the people.

Mr. Khan urged upon the people to be united and extend their all-out support and cooperation to the efforts of the Government in the implementation of the various programmes aimed at welfare of the common man.

CSO: 4600/1826

COMMUNIST LEADER SPEAKS AT DHAKA MEETING

Dhaka THE BANGLADESH TIMES in English 24 Apr 84 pp 1, 8

[Text] Mr Mohammad Farhad, General Secretary of the Communist Party of Bangladesh, called upon the Government to accept the five-point demands and then "quit as soon as possible".

We would then have a new government through elections for a sovereign parliament that would be able to solve the problems of the people and those with the neighbours", Mr Farhad told a Party rally on Monday.

The big public meeting at the Baitul Mukarram Square was presided over by him and addressed by Mr Abdus Salain, a Secretary of the Party, Mr Saifuddin Ahmed Manik and Mr Mujahidul Islam Selim, two other CPB leaders.

In a resolution read out at the meeting, the CPB reiterated its strong support to the five-point demands and urged the people to strengthen the national unity and the movement for realising it. It called for immediate withdrawal of Martial Law and to hold election for a sovereign parliament and empower the house to resolve constitutional issues. It further demanded transfer of power peacefully to the elected representatives of the people and resolve the prevailing national political crisis.

Referring to the ongoing dialogue Mr Mohammad Farhad said they joined it as part of the movement and urged the Government to conclude the talks soon instead of pursuing a policy of prolonging it.

The CPB leader further said that there would not be any compromise in the dialogue. If there was no solution through dialogue the Government would have to bear all the responsibilities for the failures. If the talks failed we would press ahead with a greater movement till victory, he told the red flag waving crowd.

Referring to the differences of opinion between the seven-party and 15-party alliances on the constitutional issues Mr Farhad said "despite that we have been able to unite on the basis of the five-point that provided for a sovereign parliament to decide on all constitutional questions". He said that his party was opposed to any amendments to the constitution by the CMLA.

He warned the people against imperialism and their local collaborators, the rich who, he said posed a threat to the democracy. The peasants, workers and the middle classes--all must maintain vigil so that true democracy was established.

Mr. Farhad attributed price hike of essentials to Government failures.

He also said that because of the weakness of the Government the Farakka problem remained and border incidents were taking place. Referring to the barbed wire fencing and firings at border Mr. Farhad said, 'we remember the help of India during the Liberation War but that does not mean that they should kill our people.' He urged Mrs. Indira Gandhi, the Indian Prime Minister, not to erect fences and provide Bangladesh water of the Ganges.

The Party also took a number of resolutions expressing concern over the price hike of essentials including rice, release of political prisoners and right to appeal for Martial Law convicts, arrest of Adamjee labour leader Sadu, rein-statement of bank employees, cancellation of disinvestment policy.

It also demanded government statement regarding what it said the news about US base in Chittagong, establishment of good relations with all neighbouring countries including India keeping in view national interests and resolution of Farakka South Taipatty, and other unresolved issues with India.

It noted that erection of the barbed wire fencing might lead to deteriora-tion of relations between India and Bangladesh. It protested against the In-dian unilateral action which caused the tension in the border leading to killing and injury of Bangladesh nationals.

CSO: 4600/1827

DEMOCRATIC PARTY LEADER SPEAKS OF BORDER VISIT

'Dangerous' Situation Described

Dhaka THE BANGLADESH TIMES in English 25 Apr 84 pp 1, 8

[Text] Democratic League President Khandaker Moshtaque Ahmed on Tuesday said India was learnt to have brought in its regular force in support of the already reinforced Border Security Forces along Bangladesh border near Bhurungamari, reports ENA.

Khandaker Moshtaque who returned to Dhaka on Tuesday after a visit to the border belt in Bhurungamari told a public meeting in Dhaka that Indian authorities had also evacuated its population in about seven and a half mile of the Indian territory along the border belt.

He said the situation prevailing there was "dangerous."

He urged people to consolidate unity forgetting differences and to be prepared to face any situation in defending the sovereignty and independence of the country.

Khandaker Mostaque said till now the BDR men in cooperation with the local people resisted all attempts made by India to install fences on the zero-line of border.

He said although men, material and resources of the Bangladesh people are limited, their morale is high.

He said while tension was mounting with repeated incidents of firing by Indian border security forces along the area none of the cabinet Ministers had visited the area for an on the spot assessment of the situation and for visualisation of its probable dimensions in the future.

Khandaker Mostaque Ahmed said whether the Government and its Ministers had given proper attention or not the people of Bangladesh and valiant members of its armed forces would definitely uphold the sovereignty and independence of the nation.

He said the Indian could have ventured to go for unilateral action along Bangladesh border belt because of the weak-kneed foreign policy of the present

Government and what he said, its policy of appeasing the powerful neighbours. He said the Government should bear in mind that the country which could not transfer "three bigha of land" after ten years of agreement could become any thing but a good neighbour.

He also accused India of depriving Bangladesh of its due share of the Ganges water and right to Talpatty island.

He said all these outstanding problems could be solved only by an elected Government. This is why he said, his party had called for holding national polls without wasting time on the pretext of dialogue.

#### Bhurungamari

Our Rangpur correspondent says: Khandaker Moshtaque Ahmed former President and chief of Democratic League castigated the Indian aggressive and expansionist designs along bordering areas. He called upon the people to resist aggression whatsoever might be its nature, to defend sovereignty and independent of 'our sacred soil'.

Former President accompanied by other leaders of his party and group of local journalists yesterday made a day long spot visit along the troubled Bhurungamari upazila and met with local people and BDR personnels and lauded their dedication and highest sacrifice for greater cause of national interest. He visited border belts along neutral zone area between India-Bangladesh boundary near No. 1001 and 1004 pillars.

He urged the BDR to remain vigilant against Indian aggressive design get themselves ready to shed last drop of blood when warrented.

Strongly condemning India for violation of border accord he termed erection of barbed wire fence along neutral zone parallel a heinous acts and expansionist design.

#### Ershad Criticized

Dhaka THE BANGLADESH OBSERVER in English 25 Apr 84 pp 1, 10

[Text] Former President and Democratic League chief Khondokar Mushtaque Ahmed on Tuesday charged the Martial Law regime with total failure in defending the country's territorial border against Indian hegemonism.

Speaking as the chief guest at the fifth founding anniversary function of Bangladesh Islamic Party, a component of his Jatiya Oikya Front, Khondoker Mushtaque Ahmed criticised President Ershad who is also the Chief of Staff of the Army for not visiting Bhurungamari border where the Indian BSF opened fire killing a BDR Jawan and injuring a number of them who tried to stop the Indian Security Forces from erecting barbed wire fence along Bangladesh-India border.

The Democratic League chief who visited BDR camps at Bhurungamari border said that he felt proud of the BDR Jawans who defended the country's border with bravery and patriotism against the Indian expansionists.

Terming the 25-month military rule of President Ershad as a "black chapter" Khondokar Mustaque Ahmed said that it would take a long time for those who would be voted to power to correct the wrongs of the present regime. He also criticised General Ershad for releasing corrupt ministers, hijackers and murderers "If you release them what is the use of keeping jails" he asked the President.

Narrating the political history of Bangladesh during the last 13 years Khondekar Mushtaque Ahmed said that the liberation of the country came under the leadership of an elected government but the peoples hopes were frustrated after the independence. He termed the five and ahalf years rule of President Zia as a "constitutional dictatorship" and he blamed the late President for "spending billions of dollars for consolidating his dictatorship and tailoring the country's constitution to fit his interest". He condemned President Ershad for imposing Martial Law.

Presided over by Advocate Azizullah Bhuiyan, President of Dhaka city unit of Islamic Party the meeting was addressed by Mr. Oli Ahad, Vice-President of Democratic League, Sheikh Ashraf Uddin, Executive President of Islamic Party, Maj (rtd) Zainul Abedin, joint convener of Justice Party and Mr. Raisuddin Ahmed, President of Nikhil Bangla Muslim League.

In his speech Mr. Oli Ahad said that President Ershad had no contribution to the liberation of the country and so he can not defend the independence and sovereignty of the homeland.

Addressing the meeting Major (rtd) Zainul Abedin said that the Martial Law regime can kill students and workers but the army could not face the Indian BSF.

In his speech Mr. Raisuddin Ahmed said that when President Ershad took power there was no dialogue but why there was necessity of a dialogue for returning power.

CSO: 4600/1828

## BANGLADESH

### FIFTEEN-PARTY ALLIANCE TELLS POSITION ON GOVERNMENT

Dhaka THE BANGLADESH OBSERVER in English 27 Apr 84 pp 1, 16

[Text] The 15-party alliance at a meeting on Thursday categorically stated that sovereign Parliament must be elected on the basis of the relevant articles of the Constitution in respect of parliamentary polls. It said the Parliament will resolve all constitutional controversies within 60 days from the commencement of its first session.

The meeting held at Awami League office on Thursday with Mr. Nirmal Sen in the chair also demanded summoning of the Parliament within two weeks after the election. The alliance made its position clear about the holding of presidential polls stating that election to the office of the President will be held after the sovereign Parliament decides about the form of Government and the whole Constitution will be restored as per the decision of the Parliament. The alliance further said that the Parliament would take decisions regarding all procedures about the Constitution.

Regarding the proclamation, the 15-party alliance said it is necessary only for withdrawal of the Martial Law and there should not be any misunderstanding about it. The alliance said it is clear that there is no alternative to a proclamation for lifting the Martial Law.

#### Call to Reconstitute Election Commission

The alliance said that the Parliament would determine the matter of handing over power to the representatives of the people and demanded that the Election Commission should be re-constituted for free and fair polls. The 15-party alliance stated that withdrawal of the Martial Law and holding of election to a sovereign Parliament could be resolved only in this way. Any other attempt will complicate the whole issue the alliance said.

Regarding the interpretation of the 5-point demand, the 15-party alliance stated that there was differences of opinion about the form of Government which is quite natural. But there was no specific mention about any particular Constitution and the form of Government. Rather election to a sovereign Parliament was agreed upon before all other polls keeping in view these factors the alliance said. It further stated that the 5-point demand portrayed the hopes and aspirations of the people about withdrawal of the Marshal Law,

establishment of democracy and solution of the constitutional controversies and did not seek the revival of either 72 Constitution or suspended Constitution.

The alliance noted that at this stage of the movement the linking of 5 points with a particular Constitution tantamounts to a denial of the very basis of these demands. The nation will not accept any such attempt, the alliance felt.

The 15-party alliance meeting viewed with concern the "design of President General Ershad". The meeting stated that although General Ershad was continuing the dialogue, he was engaged in materialising his own political aim. Instead of accepting the 5-point demand in the dialogue, President Ershad is implementing his own plans to remain in power, it said.

The alliance said General Ershad recently announced that Janadal is his own party and he is working out a formula to join the party remaining in his existing posts. The alliance made it clear that if the Government did not stop this the dialogue was bound to fail.

The alliance made its position clear about an interim Government envisaging that no political ministers should be inducted in the cabinet and no ministers could contest the elections.

Sheikh Hasina, President of Awami League was also present in the meeting.

CSO: 4600/1831

MUSLIM LEADER ASKS POWER FOR 'TRUE' ISLAMIC LEADERSHIP

Report on Dhaka Speech

Dhaka THE BANGLADESH OBSERVER in English 21 Apr 84 pp 1, 12

[Text] Maulana Mohammedullah Hafezzi Huzur Amir-e-Shariat of the Bangladesh Khilafat Andolon said in Dhaka on Friday that to hold dialogue with the Government would mean recognising what he called an illegal government. He said that the dialogue would help strengthen the hands of the Government to prolong its rule.

Addressing a public meeting at Baitul Mukarram Square Hafezzi Huzur called upon the Government to transfer power to the true Islamic leadership. He said that the sacred duty of our armed forces was to defend the country. He told them to go to barracks and dedicate themselves to their sacred duties.

Organised by the Bangladesh Khilafat Andolon the meeting was also addressed by the central leaders of the organisation including Maulana Abdul Gaffar, Amir of Dhaka City Unit of Khilafat Andolon Maulana Habibur Rahman Amir of Khulna District, Maulana Ishaq, a former Minister, Maulana Mazharul Islam, Maulana Abul Hassan Jessori, Maulana Sadeq Ahmed Siddiqui, Maulana Habibullah Mesbab, Maulana Akhtar Faruk, Maulana Zahurul Huq, Maulana Hefez Ali Hossain, advocate Shahidul Alam, Maulana Azizul Huq, and Maulana Abed Ali.

Reiterating his call for establishing Islamic rule in the country, Maulana Mohammedullah Hafezzi Huzur said that peace could not be established in the country without Islamic rule. He called upon the party workers to wage crusade (Zihad) in the country to establish Islamic rule.

Moulana Mohammedullah Hafezzi Huzur said that the aim of the Bangladesh Khilafat Andolon was to unite the bewildered nation now divided into 72 parties. He said that former leaders of the country bluffed the nation for long and took it into a brink of collapse. The people were subjected to oppression on their life, property and faith earlier. He said that his main objective to steer the movement at this old age was prompted by his conscious to take responsibility of the nation.

The meeting of the Bangladesh Khilafat Andolon in a resolution demanded of the Government to implement its three-point demands and transfer power to the people. The meeting in another resolution condemned the Government of India for

not giving due share of the Ganges water to Bangladesh, erection of barbed-wire fence, and observation towers along Bangladesh border. The meeting urged India to behave like a good neighbour.

The meeting also called for stopping all kinds of unislamic activities like gambling, house and antisocial activities in the name of exhibition. The meeting further called for withdrawal of all foreign troops from Afghanistan and Lebanon.

BSS adds: Moulana Hafezzi Huzur pointed out that he had urged the present government time and again "to correct itself but instead of paying heed to my advice they are inviting me to join their dialogue of unislamic constitution and democracy."

The Khelafat leader invited the political parties including the Awami League, Muslim League, BNP, NAP and Janadal to join the movement he had launched for the establishment of the Islamic ideals.

He said under the present circumstances only the Islamic rule could resolve all kinds of socio-political and economic problems the nation was facing.

#### Remarks at Press Conference

Dhaka THE NEW NATION in English 22 Apr 84 p 8

[Text] Moulana Mohammadullah Hafezji Juzur, Ameer-a-Shariat of Bangladesh Khelafat Andolon, yesterday condemned the attack on a procession of his followers and made the government responsible for the incident indirectly.

In a press conference held at the central office of Khelafat Andolon last evening he said that after the public meeting held at Baitul Mukarram on Friday a procession of his followers was proceeding towards Chakbazar via Nawabpur Road. When the procession reached near the house No. 14/1, brickbats, stones and even unit of mike were thrown at the procession from that house. In the incident 30 persons were reportedly injured and some were still missing.

He deplored that government had not yet taken any action against those responsible for the incident.

Referring to the incident Hafezji Huzur said there was no alternative way to resist oppression without the establishment of Islamic hukmat (rule) and reiterated his call to all to join zehad to achieve it.

In reply to a question he recognized the liberation war and said it was a struggle of the oppressed against the oppressor.

CSO: 4600/1830

BANGLADESH

OFFICIAL STRESSES DHAKA SUPPORT FOR PALESTINIANS

Dhaka THE BANGLADESH OBSERVER in English 21 Apr 84 pp 1, 12

[Text] Fez, (Morocco) Apr. 20:--Law Minister K. A. Bakr, who is leading the Bangladesh delegation at the 9th session of the Al-Quds Committee meeting here had a 40-minute audience with King Hassan II of Morocco yesterday, reports BSS.

During the audience, the Minister conveyed a personal message to King Hassan, Chairman of the Al-Quds Committee from President Lt. Gen. H. M. Ershad. He also conveyed the greetings of the Government and the people of Bangladesh to King Hassan and Moroccan people.

They discussed various issues relating to the Islamic world including the cause of the Palestinians and Al-Quds and the possible ways and means towards achieving a just and lasting solution to those issues on the basis of resolutions adopted in the United Nations, OIC and other international forums.

The Minister praised the enlightened leadership of the Monarch for the cause of Islam and particularly the holy city of Al-Quds.

The Bangladesh delegation leader reiterated the total support of his government and the people for the just cause of the Palestinian people and expressed deep concern at the grave situation being faced by the holy city of Al-Quds.

King Hassan in reply requested the Minister to carry his warm and brotherly greetings for President Ershad and the people of Bangladesh.

CSO: 4600/1830

PAPER SUMMARIZED RECOMMENDATIONS OF PRESS COMMISSION

Dhaka THE NEW NATION in English 10 Apr 84 pp 1, 8

[Text] The Commission has laid great stress, in its report, on the freedom of the Press while drawing a sharp line between "freedom" and "licence". It has recommended most explicitly that the freedom of the Press which is at the heart of all liberties and essential for the democratic process should be guaranteed in practice, while ensuring that "the freedom is exercised with responsibility", a press release of the commission said yesterday.

The report running into almost 270 pages makes 104 recommendations of which 102 are related to the ten specific terms of reference of the Commission.

The recommendations cover a wide range of subjects concerning the press, including ownership, management, income and expenditure, rights and obligations, professional performance, editorial institution, imbalance in information flow as well as the perspective of newspaper development.

While advocating growth of newspapers both in "number and circulation as institutions of social service the Commission has recommended that there should be no news agency or daily newspaper in the public sector. It has also suggested raising more than one news agency to competitive stature through Government assistance to escape the baneful effects of monopoly and favoured diffusion of ownership and control of larger news paper by formation of joint stock companies, trusts or cooperatives.

The Commission has recommended that the newspaper should be treated as an industry and extended all facilities available to other industries. It has further suggested setting up of "an agency to supplement the credit facilities for small news papers to help the industry grow on healthy lines".

The Press Commission which has dealt with the laws concerning the Press quite extensively and proposed over 23 amendments or limitations on applicability of the relevant statutes, codes and ordinances also suggested setting up of a high level Commission to

review the Press Laws and make recommendations.

It has recommended enactment of a legislation enjoining upon the Government dissemination of important information among the people and making records, excepting those relating to national security, available

to them on demand for inspection.

The Commission has recommended expansion of the facilities of the Press Council to enable the Council to function more effectively. It has proposed prior consultation with the Council on legislative measures concerning

the Press and also on punitive actions against news agencies and newspapers involving cancellation of authentication or suspension of publications.

The Commission preferred journalism to be taken at once as a profession and a mission to foster values conducive to the welfare of the society and recommended careful planning and concerted efforts to enable the journalists improve professional proficiency. It also suggested that the journalists be helped to be objective and responsible in presentation of news and views by admitting easy access to information and ensuring freedom of expression and also to encourage and persuade them to adopt a code of ethics embodying the high principles they are expected to serve.

The Commission has recommended that "in the interest of the growth of editorial institution contents of the newspaper must be kept free from interference of the general management and the command of the editor over news and views must be absolute within the limits of the agreed owner-editor relationship" and that "the proprietor should not take the position of the editor unless he actually discharge the full functions of the editor.

The Commission has further recommended that there should be greater efforts for utilisation of the Press as a change agent" and that the Press should employ itself, in addition to its traditional role of disseminating public information, to development oriented communication for fostering conditions congenial for growth and development". It has also been suggested that the Press should pursue a more positive and vigorous role for "achieving the national objectives of self-reliance" and establishing" a society free from corruption and exploitation.

While stressing on rationalisation of the price of newspaper newsprint and public sector advertisement tariff the Commission has suggested substantial expansion of spending on newspaper advertising.

It has also recommended withdrawal of advertisement tax and "special consideration" for regional papers in distribution of public sector and regional advertisements.

The Commission has further suggested that the advertisement section of the partment of Films and Publications of the Ministry of Information establish cells at Chittagong, Khulna and Rajshahi for quick and efficient handling of advertisements emanating from those regions.

The Government has been advised to reconstitute the Bangladesh Press Consultative Committee "to make it more representative and at the same time more wieldy and effective" and also to take sympathetic interest in the organisations related to the Press.

The Bangladesh Sangbad Patrika Parishad and the Council of Bangladesh Editors of News Agencies and newspapers have been advised to "further activites themselves" and the union of journalists to "reappraise their organisational structure and take greater interest in standard of journalism".

While suggesting improvement and expansion of technical facilities of the news agencies, the Commission has recommended favourable rentals for teleprinter equipment accordance with the International practices. It has also advised the news agencies to "raise a cadre of competent foreign correspondents with attractive terms and post them to the world centres of news."

The government and the newspaper industry have been counselled to put their heads together "to devise practical and effective means of reducing and

removing the imbalance existing in the flow of information between rural and urban areas".

The Commission has also advocated for regular institutional relationship between the news papers and their correspondents based in rural areas "for augmenting the flow of news from the rural areas and improving the working conditions of Mufassil correspondents" as well as for measures to encourage "growth of rural and community newspapers".

The Commission took note of the problems of distribution of newspaper and pleaded for raising a channel in addition to the hawkers cooperative for distribution in the city of Dhaka and joint efforts of the representatives of the industry and transport agencies for improving distribution in the outlying areas.

The Commission has finally recommended early formulation of "a national communication policy suited to the conditions obtaining in the country and capable of meeting the requirement of the people."

The report appends four separate write up on the history of the development of newspaper industry but the Commission feels that the exercise is incomplete and in one of the recommendation not strictly related to the terms of reference advises that efforts be directed to recover and compile all information concerning the history of the development of the Press in this region for the benefit of the posterity.

Though the questionnaire were issued by the Commission both in Bengali and English, the report has been prepared only in English for convenience as most of the supporting documents and reference materials were in English. The Commission has, however, suggested the Government to publish eventually a Bengali version of the report.

The Constitution of the Bangladesh Press Commission

was announced on April 26, 1982. The Commission held its first meeting on May 3, 1982. The Chairman addressed appeals both individually and through the press to the leading members of different callings as well as the general public seeking their valued appraisal of the state of the Press as well as suggestions for improving the situation. Among those who responded were ministers, political leaders, lawyers, senior journalists, professional organisations of the newsmen and the general readers.

The Commission then issued four series of questionnaire eliciting opinion on various issues engaging the attention of the Commission.

To supplement the information collected from replies to the questionnaire the Commission interviewed the owners of newspapers, editors of news agencies and newspapers, editors of Weekly Journals, different categories of the employees of newspapers besides the central and regional organisation of these interests, top educationists including Vice-Chancellors, high officials including secretaries of the Ministries, leaders of the Bar Associations and representatives of other callings and free-lance journalists. The interview sessions started at Dhaka and convened afterwards at Chittagong, Rangamati, Rajshahi, Jessore, Khulna, Saidpur and Dinajpur.

In all 64 interview sessions were held of which 38 were at Dhaka, 5 at Chittagong, 1 at Rangamati, 1 at Natore, 5 at Rajshahi, 1 at Jessore, 6 at Khulna, 2 at Saidpur and 5 at Dinajpur. In these sessions in all 343 persons appeared.

Besides the interview session and a large number of smaller working sittings, the Commission held 32 full scale meetings to work out the modalities, adopt questionnaire, select interviewees, decide major policy issues and finally to consider and approve the report.

The Commission also paid a visit to the office of the daily Barta and the Khulna Newsprint Mills, the sole producer of one of the most important inputs of newspaper.

#### MEMBERS

The commission was constituted with Mr Ataur Rahman Khan as its chairman and Barrister Mainul Hosein, Chairman, Board of Editors of Ittefaq and chairman, Bangladesh Sangbadpatra Parishad, Mr Enayetullah Khan, Advisory Editor Holiday, Mr. Obaidul Huq, Editor, Bangladesh Observer, Mr Ahmedul Kabir, Editor, Daily Sangbad, Mr Shamsur Rahman, Editor, Dainik Bangla, Mr Ahmed Humayun, President, BFUJ, Prof Mohammad Mohsin, Editor Dainik Utara, Mr Safiuddin Ahmed, President, Bangladesh Sangbadik Samity, Mr Moinul Alam, former Editor Dainik Zamana, representatives from ministries of Law and Land Reforms, Home Affairs, Defence, Finance and Planning, Chairman, Press Council and Principal Information Officer, PID Ministry of Information as its members.

BANGLADESH

CORRESPONDENT NOTES WIDESPREAD RESENTMENT OF INDIA

Dhaka THE BANGLADESH OBSERVER in English 25 Apr 84 pp 1, 10

[Text] India-Bangladesh relations have lately turned very sour. Unwarranted and provocative action by the Border Security Force of India has precipitated tension along the India-Bangladesh border. The trigger-happy Indian security force [words indistinct] display of fire power at Bhurungamari border killing a BDR jawan on Friday last.

Erection of barbed wire fencing along the India-Bangladesh international border is not only a ludicrous conception but also a unique example of mistrust between two neighbours which is only matched by the Berlin Wall. What is most intriguing is that India is forcibly erecting the fence on the no man's land despite repeated protests made by the Government of Bangladesh.

The Indian obduracy has naturally caused widespread resentment throughout the country. All the major political parties without any exception for the first time have squarely condemned the Indian action, Awami League, BNP, CPB, BAKSAL, Muslim League and other parties have been critical of the Indian action.

There are other irritants between India and Bangladesh which remain unresolved mainly due to stiff attitude taken by India. The issues such as Farakka, demarcation of the border and the maritime boundary are awaiting settlement for a long time.

India, one may note, is at loggerheads with all its neighbours including Sri Lanka, Pakistan and Nepal at the moment. India is one country which has worst of relations with all its neighbours. Why this is so? The attitude of the Government of India particularly under Mrs Indira Gandhi is one of super power in relations to its small neighbours. India has always tried to [words indistinct] intimidate all her small neighbours with the intention of bringing them under its protective control. Obviously no self-respecting sovereign nation would submit to Indian intimidation. It is interesting to note that all previous Indian Governments had tried to maintain the best of relations, with the neighbours.

India's relations with her neighbours turn sour only when Mrs. Indira Gandhi holds the reins of the Government.

India's relations with her neighbours during the Janata rule was far better than what it is now.

The political observers believe that Mrs. Indira Gandhi faced with enormous domestic problems is trying to shift the attention of the people from the domestic problems by creating tensions with all her neighbours.

Meanwhile, Khondokar Mustaque Ahmed President of Democratic League, along with party leaders returned to the city on Tuesday after a visit to the Bhurungamari border area says a Press release. He addressed local people gathered at Bhawalkuri Nageswar and Bhurungamari during his visit to the area. Mr. Oli Ahad Miah Abdur Rashid and Mr. Mujibur Rahman was with the party leadering during the visit.

Mr. Syed Ahmed Acting General Secretary of Bangladesh Krishak Sramik Awami League (BAKSAL) in a statement on Tuesday expressed concern over the erection of barbed wire fence along border exchange of fire between border forces resulting in the death of a BDR Jawan. He said that erection of barbed wire fence along Bangladesh-India border was against the basic principles of Mujib-Indira agreement signed in 1974.

The BAKSAL leader hoped that the Government would take initiative to resolve the crisis through mutual discussion and desist from lingering it to divert the attention of the people from main issues.

The Jahangirnagar University Teachers Association in a resolution adopted at its meeting on Sunday condemned the Indian action in the border area. The resolution said that the submissive foreign policy pursued by the present Government and absence of a democratic government encouraged the Indian government to resort to such provocative act.

Syed Manzoorul Ahsan President of Bangladesh Nezam-e-Islam Party in a statement on Tuesday expressed grave concern over the killing of BDR personnel at Bhurungamari erection of barbed wire fence and watch towers by India along the border.

Mr. Ahsan urged the Government to raise the issue to United Nations, OIC and other international forums.

A meeting will be held today (Wednesday) at 4 p. m. at the temporary office of the Janadal in Dhanmondi to condemn the action of Indian Border Security Forces which caused the death of a Bangladesh Rifles jawan and injury to 30 villagers and to protest against the erection of barbed-wire fence along Indo-Bangladesh border and Indian aggressive attitude towards Bangladesh.

A procession will be brought out after the meeting which will proceed to the Indian High Commission and submit a memorandum.

CSO: 4600/1828

RESTRICTIONS ON TRADE UNION ACTIVITIES LIFTED

Dhaka THE BANGLADESH OBSERVER in English 12 Apr 84 p 1

[Text] The President and Chief Martial Law Administration, Lt General H. M. Ershad on Wednesday evening announced the repeal of the Industrial Relations Regulations Regulation Ordinance, 1982 (IRRO) with immediate effect, reports BSS.

The ordinance imposed restrictions on the trade union activities.

The announcement was made when a 9-member delegation of the Bangladesh Swadhin Trade Union Federation headed by Mr. Moqbul Ahmad met the President at Bangabhaban in city.

Air Vice-Marshal (Retd) Aminul Islam, Minister for Labour and Manpower and Major-General Atiqur Rahman, Principal Staff Officer to the CMLA were present at the meeting.

The Bangladesh Swadhin Trade Union Federation and Janadal had been demanding withdrawal of IRRO for quite sometime. It may be mentioned the 15-party alliance and the Jamaat-e-Islami, Bangladesh also urged the President for the withdrawal of the ordinance during their dialogue with the Government.

President Ershad also announced that in response to the appeal made by the Bangladesh Swadhin Trade Union Federation the Government has instructed those privately owned industries who are yet to give 30 per cent dearness allowance to workers to comply with the directive on the basis of modalities finally worked out at a meeting of Tripartite Consultative Committee (TCC) held on April 8 last. The modalities of making payment of the 30 per cent DA by these industries will be announced shortly.

General Ershad further assured the delegation that the Government was actively considering the withdrawal of Martial Law Order No 19. The MLO No. 19 provides for submission of review petition within 90 days to the Martial Law authorities against the verdict of the Labour Court and the Labour Appellate Tribunal. It was felt that this provision used to cause delay in quick dispensation of justice.

The delegation was further told that the Government is also actively considering payment of two help up increments for Freedom Fighters working in the

the Bangladesh Jute Mills Corporation and reinstatement of those dismissed bank employees who would be found innocent after scrutiny which has already started.

The decisions on these matters will be announced shortly.

CSO: 4600/1824

BANGLADESH

SMUGGLING ALONG BURMA BORDER CONTINUES UNABATED

Dhaka THE BANGLADESH OBSERVER in English 13 Apr 84 p 7

[Text] Chittagong, Apr. 8:--Smuggling along Bangladesh-Burma border in Teknaf Thana of Cox's Bazar Sub-division continues to thrive despite anti-smuggling measures taken by the law enforcing agencies.

Although Teknaf market looks like a typical village market, it is flooded with smuggled goods. Business transactions are made openly and secretly. The small thatched shops have abundant stocks of smuggled goods concealed beneath flat structure raised above floor level.

Shopkeepers keep only a few samples on the shop platforms to attract buyers and settle the price. Some of the shopkeepers keep major part of goods stocked in separate hidden places of the market. They supply these goods to the buyers only after fixation of price.

The affluent people come here by motor vehicles covering 144 miles from Chittagong city and 54 miles from Cox's Bazar town. They park their vehicles along the market place, do shopping and return after quick sightseeing of topography areas. Only a few influential visitors get accommodation at the three rest-houses for night halt.

At Teknaf market, ceramic crockeries, bed sheets, mosquito nets, utensils, stainless steel spoons, Petromax coffee set, leather bags, nylon thread, plastic bags, batteries, Burmess cigar Burmese bidi, Burmese cigar, Burmese lungis etc are available in abundance. The luxury items are particularly of Chinese and Thai origin. A ring of smugglers is bringing in the goods into Burma from Hong Kong and Thailand by sea.

High quality Chinese made tea cups with saucers priced at Taka 240 a dozen at Teknaf market fetch about Taka 700 in Chittagong and Dhaka markets. Similarly, other items are sold here much below the price in Dhaka and Chittagong but there is hardly any scope for bargaining. The urban customers clad in fashionable dress mingle with local men when doing shopping.

There are only 14 shops in the market where these goods are available. The shopkeepers will first show the sample of the goods to the customers. When they will bring out the goods from concealed places and hand it over to the customers, they complete the job in a hurry.

### Luxury Goods Come In

The luxury goods come in to Teknaf from Mongdu, a sub-divisional headquarter of Arakan district in burma. But goods like dry chilli, dry betel nut, and rice are smuggled into Bangladesh from all along the riverway border.

The goods that go to Burma from Bangladesh include medicine, cosmetics, second hand clothes, electrical goods, textile goods etc. Of these cosmetics particularly Tibet products are in great demand among girls in Burma.

Teknaf Thana has about 25 miles border area with Arakan district of Burma. The river Naf divides the two countries. The smugglers operate aboard boats in the river to ferry the smuggled goods.

Smuggling along Bangladesh Burma border in Teknaf thana is carried out in bulk and also in small quantity by boat. While the organised gang is involved in bulk smuggling the local men do it in small scale. The smugglers usually operate at night hours.

The organised gang of smugglers use mechanized boats to carry goods across the river for bulk smuggling. The gang generally conduct the smuggling through appointed agents. The small-scale smuggling is carried out by country boats.

The Bangladesh Rifles seized smuggled goods worth about Taka 22 lakh from Teknaf area in the last year. The Bangladesh Rifles recently intensified its checking operation along this border.

CSO: 4600/1819

BANGLADESH

DISSIDENCE REPORTED IN SATTAR BNP YOUTH WING

Dhaka THE NEW NATION in English 25 Apr 84 pp 1, 8

[Article by Kazi Montu]

[Text] Bangladesh Jatiyatabadi Jubo Dal, the youth wing of the BNP (Sattar) has been torn between two factions on the question of the reinstatement of Abul Kashem, former President of the organisation who was relieved of his responsibility following the arrest of a hardened criminal from his residence in 1982.

The two factions organised separate meetings in last few days. One group led by acting chief of the organisation Ziaul Huq Milu has refused to accept Abul Kashem as chief of the organisation while the other faction headed by its General Secretary Saifur Rahman has held a series of meetings with Abul Kashem as President of the organisation after his release from the jail.

The Milu Huq-led group of the young wing of BNP (Sattar) argues that there is no committee of the organisation as per provisions of its constitution.

According to the constitution of the youth front of BNP, one committee is elected for two years and the time can be extended to three months more if need be while the present committee has been working for over four years without holding a council.

On the other hand, the faction of Saifur Rahman refutes the argument saying that the question of holding a council during martial law does not arise.

The leaders of the group led by Milu Huq had an emergency meeting yesterday at the BNP (Sattar) office which was presided over the organisations acting by Ziaul Huq Milu.

The meeting was attended, among others, by its city President and a secretary of the central committee Mirza Abban, its Publicity Secretary Rokanul Huq Bhuiya and Central committee members Khorshed Alam and Anisur Rahman Najad.

The meeting in a resolution postponed the holding of a conference of its thana and district-level leaders scheduled to be held tomorrow (April 26) in view of the dialogue between the government and the 7-party alliance.

The time-table for the conference has been refixed for May 10 as the thana and district leaders of the organisation need to be apprised of the outcome of the dialogue, the next course of action of the 7 party alliance in the light of the outcome of the dialogue and other important national issues.

In the meeting six persons were coopted in the central committee of the organisation. They are Kauser, Siraj, Salahuddin, Mobarak Hossain, Mohd, Selim and Nurul Amin.

It may be mentioned that the conference of April 26 was due to be presided over by Abul Kashem.

However, the faction supporting Abul Kashem has not yet expressed its reaction to the postponement of the conference till May 10.

The supporters of Abul Kashem in the organisation include, apart from Saifur Rahman, Organising Secretary Kazi Monirussaman, Assistant Organising Secretary Abdullah Choudhury and Publicity Secretary A. K. M. Ruhul Amin.

CSO: 4600/1829

#### PROBLEMS REPORTED IN RECOVERY OF INDUSTRIAL CREDIT

Dhaka THE BANGLADESH OBSERVER in English 21 Apr 84 pp 1, 12

[Text] Industrial Credit finance is faced with a serious recovery problem. Outstanding amount of recoverable cash dues of two Development Finance Institutions (DFIs), Bangladesh Shilpa Bank (BSB) and Bangladesh Shilpa Rin Sangstha (BSRS), stand now at Taka ten billion (Taka 1000 crore). Of this amount, Taka four billion are in the nature of long over-dues.

Official sources told this correspondent that recycling of credit funds on the part of BSB and BSRS had become difficult to new private industrial projects with so much of funds now being locked up in the form of arrear dues. World Bank (WB) in its latest report also called for focusing urgent attention on tackling the institutional and financial weakness of BSB and ESRS. Identifying the 'high level of arrears in the portfolios of these institutions' as the major cause for concern, the bank felt that a sustained growth of industry "which is expected to be led by private investment cannot take place in an environment where private investors are not expected to meet their financial obligations to the domestic financial institutions".

According to WB, cash collections of BSB and BSRS as percentage of collections due on private sector loans in fiscal 1983-84 will not exceed the last year's level at 30 per cent.

The poor rate of collections on account of dues relates mostly to funds which have been provided by donor agencies like International Development Association (IDA) (soft loan affiliate-body of the WB), Asian Development Bank (ADB), Saudi Fund for Development, KFW of West Germany, FMO of the Netherlands etc. for industrial credit financing in the country. Most of such funds are in the nature of concessional credits carrying a nominal service charge or straightway grants by the donors. Under lending (or relending) terms, such concessional credits and grants from foreign sources have been disbursed to the industrial investors at rates of interest varying between 11 per cent and 15 per cent per annum.

Meanwhile, private sector representatives feel that interest rates on loans, provided by BSB, BSRS and also nationalised commercial banks (NCBs) under different fund line-up arrangements with soft-loan and grant-giving foreign donors, have been too high. The interest rate burden and other irregularities

involved in sanction and disbursement have made many of the aided industrial projects in the private sector 'uneconomic', they observe.

Mr. M. S. Islam, President of Federation of Bangladesh Chamber of Commerce and Industry, ascribes the reason for high interest-rate on industrial credit finance to disproportionately high service charge on the part of DFIs and NCBs. He maintains that if the services charges can be lowered from existing four per cent or above to one or two per cent, the industrial credit can at ease be made available at much lower rates of interest. Lower interest rate on industrial finance is a circumstantial necessity to facilitate the expansion of the country's industrial base to provide income-earning opportunities to the rapidly growing population which has no longer adequate access to land for crop production, he pleads.

The chief of another chamber who is also represented in the Board of Directors of one of the DFIs notes that interest charges on funds provided by donors on either grant basis or very concessional terms are justified for efficient utilisation of funds. But, he strongly feels, interest charges must not be too high as they are now to meet 'too high service costs' and to make 'profits' out of 'money-lending operations'.

The top executive of a multi-national pharmaceutical company operating in the country who is also an important functionary in the leading chamber of the country feels that the private sector-led industrial growth process began in Bangladesh at a time when the world recession was at its worst and the equipment prices, at their highest level. He cited in this connection the case of one particular industry which cost only taka one crore for its setting up in 1970 needed now taka ten crore for replacement of only one-fourth of its capital machinery. He observes that the first generation of industrial entrepreneurs deserve all kinds of reasonable concessionary facilities and the interest rate particularly for industrial credits is one of the vital element in such concessionary facilities.

Discussions with representatives of the private sector on matters of industrial credit finance reflected their strong resentment against the lending terms of DFIs and NCBs. Why should the DFIs and NCBs working as mere intermediary banks in industrial financial sector charge such a high rate of interest for funds which are provided by donors on concessional terms and also as grants to the country?

The concerned quarters note that the industrial sector currently accounts for less than 15 per cent of gross domestic product (GDP) and employs correspondingly a small proportion of the labour force. Without a vigorous growth of industrial activities, the prospect of stagnating or even declining income per head can not be avoided in the country. The same quarters point out that farm sector can be expected to absorb only about one-quarter of the increase in the labour force over the coming Third Five-Year Plan period (1985-90). This fact heightens the need for a rapid growth of industry and industrial development and income-earning opportunities on an increasing scale in the country.

The private sector representatives state that it is not capital or credit fund which is alone scarce in the country. Genuine entrepreneurship is also scarce

and as such the entrepreneurs should not be forced to pay high interest rates for industrial credits, they note while pointing out that high interest charges act as a damper to the growth of private enterprise on efficient lines.

Official circles however see no reason for lowering the interest rate on industrial credit finance. When asked about lending (or, re-lending) terms for concessional foreign credits and also grants as are routed through DFIs and NCBs for disbursements, a highly-placed official source admitted that such terms tantamount to money-lending in theoretical terms. But he defended this kind of 'money-lending' on "strong" economic considerations. Efficient use of scarce resources like industrial credit funds can be ensured only through charging appropriate interest charges for guaranteeing responsible management of projects, he pointed out.

The same official maintained that the rate of interest has a close relationship with inflationary rate and also has a strong bearing on efforts for mobilising more domestic resources. In an inflationary situation, the value of industrial assets like capital machiner also goes up and the industrial credit operations must take this inflationary factor into consideration, he noted.

Official sources did not agree that the service charges of DFIs and NCBs were high. They noted that the credit operations by DFIs and NCBs in industrial financing where funds had come from donors in the form of either grants or concessional loans were comparable to food operations by the government. The food aid received by the government as grant from donors are not distributed free in the market and the people have to buy such foodgrains made available to them under public distribution system or other arrangements, the sources noted.

The official sources further stated that lending terms for industrial credit finance are not decided unilaterally by the government. Such terms are decided in consultation with the donors who insist on putting an appropriate scarcity value in the form of interest of funds provided by them either as concessional loans or grants for disbursement through the DFIs and NCBs, the sources said. Even the government concerns, autonomous and semi-autonomous bodies which receive grant or concessional aid fund, provided by donors, for their development, financing purposes have to pay interest at varying terms, they added.

CSO: 4600/1830

BRIEFS

ANNUAL DEVELOPMENT PLAN--The National Economic Council approved in Dhaka on Saturday the revised Annual Development Programme of total Taka 3,584 crore and 74 lakh including project aid of Taka 1,652 crore and 42 lakh, reports BSS. The revised estimates raised the allocations from original total outlay of Taka 3,483 crore and 86 lakh including Taka 1,522 crore and 59 lakh in project aid, at the council meeting which was presided over by President and CMLA Lt. Gen. H. M. Ershad. The NEC laid stress on the decentralisation of administration and development activities and the original outlay of Taka 172 crore for the development of upazila infrastructure was kept unchanged. The development grant of Taka 166 crore was raised to Taka 170 crore 95 lakh in the revised estimates. Taka 9 crore 26 lakh has been allocated in the revised programme for building hall, increasing the number of buses and health facilities for the university students including some special development projects in Dhaka city. The President had pledged for these programmes after framing of the original plan for 1983-84. Taka 2 crore has been allocated for the current year's educational development in Chittagong Hill Tracts as part of the special uplift programmes of the district. An additional amount of Taka six crore 40 lakh has been allocated for several town protection projects in accordance with the decision of a recent cabinet meeting. Considering the importance of the development of roads and highways in the country, the meeting allocated an additional fund of Taka 23 crore 48 lakh over the original programme. The Roads and Highways Department will use the amount on road construction materials. [Text] [Dhaka THE BANGLADESH OBSERVER in English 22 Apr 84 p 1]

MESSAGE TO CHERNENKO--President and CMLA Lt General H. M. Ershad on Thursday felicitated Mr. Konstantin U. Chernenko on his election to the office of the President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republic, reports BSS. President Ershad in a message said. "Please accept Excellency, my heartiest greetings and felicitations on your election to the high office of the President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republic. While wishing Your Excellency every success in your high office, I express my sincere hope that the friendship and cooperation between Bangladesh and the USSR will develop and strengthen in the years to come. I avail myself of this opportunity to extend to Your Excellency my sincere good wishes for your health, happiness and long life as well as for the well being and prosperity of the friendly people of the USSR". [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 Apr 84 p 16]

ENVOY TO ZIMBABWE--Harare, April 12:--High Commissioner to Zimbabwe Syed Muhammad Hussain presented the letter of credence to Mr Canaan Banana, President of Zimbabwe last Thursday, says BSS. In the brief ceremony which lasted half an hour the High Commissioner conveyed the best wishes of President and CMLA Lt. General H M Ershad to President Banana. President Banana warmly reciprocated and conveyed his high esteem and personal regards for President Ershad. He also expressed keen desire of Zimbabwe to strengthen the bilateral relations further in various areas of mutual benefit. Earlier in the morning Bangladesh High Commissioner called on the Foreign Minister Dr W Mangwende. He conveyed the warm greetings and good wishes of Bangladesh Foreign Minister to Dr Mangwende. [Text] [Dhaka THE BANGLADESH OBSERVER in English 13 Apr 84 p 4]

NATIONAL SCIENCE PANEL--An inter-Ministerial meeting, held in Dhaka on Tuesday in the Science and Technology Division under the chairmanship of Education Minister Dr A Majeed Khan, discussed ways and means for formulation of a national policy on development of electronics industry in the country, says a PID handout. Representatives of Education, Industry, Commerce, External Resources, Telephone and Telegraph, Planning and Defence Ministries and Divisions, University of Dhaka, Bangladesh University of Engineering and Technology and organizations like Atomic Energy Commission, University Grants Commission, Bangladesh Steel and Engineering Corporation, Electronics Manufacturer's Association participated in the discussion. They highlighted various problems and suggested measures with special emphasis on research and development for overcoming these problems so that the electronics industry can flourish in the country. The meeting unanimously decided to form a National Committee on Science and Technology and a Task Force which will formulate recommendations for final adoption by the National Committee. [Text] [Dhaka THE BANGLADESH OBSERVER in English 12 Apr 84 p 3]

PROTOCOL WITH PRAGUE--Bangladesh and Czechoslovakia have signed barter protocol No. 8 providing for exchange of commodities worth U. S. \$12 million each way in next one year, says a PID handout. Under the protocol, which comes into effect immediately, Bangladesh will export new and non-traditional items like crust and finished leather, packet tea, molasses, oil cakes, handicrafts, jute carpets, specialised textiles, crushed bones, apart from traditional items like raw jute, jute goods, loose tea and hides and skins. Items listed for import into Bangladesh from Czechoslovakia include raw cotton, raw materials, auxiliary materials and spare parts for ceramic industry, magnesia clinker and refractory materials, cold storages equipment and parts, machinery including crawlers, cranes etc., with spares. The new protocol also stipulates a reduction in the swing limit on credit which is advantageous to Bangladesh in the context of our export surplus status over the last barter protocols. Czechoslovakia has also agreed to lift a portion of their imports from Bangladesh through Trading Corporation of Bangladesh. [Text] [Dhaka THE BANGLADESH TIMES in English 27 Apr 84 p 3]

BANGLADESH BOATS SEIZED--Rangoon, April 18: Burmese naval patrols seized 18 Thai poaching vessels with 141 crew and nine Bangladeshi vessels with 57 crew during the second half of 1983, according to the report, reports PTI. This brought the total of Thai vessels seized during 1983 to 59 and crew arrested

to 511, with the 37 arrested during the first half, the number of Bangladeshis taken in totalled 94, according to the report. Value of the seized vessels and cargo on them totalled 3.3 million dollars for 1983. Seizures in the second half were valued at 621,967 dollars, according to the report. The report said 64 Burmese poaching and smuggling vessels with 331 crew were seized with 836,539 dollars worth of smuggled goods and fish, also during the second half of 1983, taking the total for the year to 130 Burmese vessels with 769 crew and 1.45 million dollars worth goods seized. [Text] [Dhaka THE BANGLADESH TIMES in English 19 Apr 84 p 1]

MESSAGE FROM ZHAO--Chinese Premier Zhao Ziyang, has felicitated Mr. Ataur Rahman Khan on his assumption of office of the Prime Minister of Bangladesh, reports BSS. In a message to Mr. Khan, Premier Zhao said, on the occasion of your assumption of the office of Prime Minister of the Government of the People's Republic of Bangladesh, I have the honour to extend, on behalf of the Chinese Government and people, my warm congratulations to Your Excellency." 'May Sino-Bangladesh friendly relations and cooperation continuously develop.' May the People's Republic of Bangladesh enjoyed prosperity and its people enjoy happiness'. [Text] [Dhaka THE BANGLADESH TIMES in English 19 Apr 84 p 1]

DPRK AMBASSADOR--The new Ambassador of the Republic of Korea to Bangladesh, Mr Ki An Chang presented his credentials to President Lt Gen P M Ershad at Bangabhaban in Dhaka on Thursday morning, reports BSS. Presenting his credentials, the new envoy said that the existing relations between his country and Bangladesh were based on mutual understanding and cordiality. He said that he would endeavour his best to promote the relations further during the period of his incumbancy. Reciprocating the sentiments expressed by the envoy, the President hoped that the existing friendly relations between Bangladesh and the Republic of Korea would continue to gain in strength to the mutual benefit of the two peoples in the years ahead. He wished the people of Republic of Korea even greater progress and prosperity in future. Earlier on arrival, the envoy took salute presented by a smartly turned-out contingent of the President's Guard regiment. He also inspected the Guard. [Text] [Dhaka THE BANGLADESH TIMES in English 13 Apr 84 p 1]

DANISH GRANT--Bangladesh and Denmark on Thursday signed a financing agreement for a Danish grant of DKK 200 million (20 million US dollar) for procurement of an oil tanker for Bangladesh Shipping Corporation and for balancing modernisation and replacement of Deshbandhu Sugar Mills of the Bangladesh Sugar and Food Industries Corporation. The ancillary expenditures in connection with procurements will also be covered by this grant, reports BSS. Dr Muhiuddin Khan Alamgir, Joint Secretary, External Resources Division, Ministry of Finance, Government of the People's Republic of Bangladesh and Mr Jens Ege, Minister Counsellor, Charge d'Affaires A. I. of the Royal Danish Embassy in Dhaka signed the agreement on behalf of their respective governments. [Text] [Dhaka THE BANGLADESH TIMES in English 13 Apr 84 p 1]

BHUTANESE ENVOY--Mr Tobgye S. Dorji has been appointed Ambassador of Bhutan to Bangladesh reports BSS. Born in January 1947, Mr Dorji graduated from Oxford in 1967. In 1968, he joined the Service of Royal Government of Bhutan in

the Ministry of Trade, Industries and Forests. From 1971-74 he served the Bhutanese Embassy in New Delhi in various capacities. Between 1975-78, Mr Dorji was Director, Ministry of Foreign Affairs, Thimpu. In 1978 he became Deputy Permanent Representative to the United Nations. He attended many international conferences. Mr Dorji is married and has two daughters. [Text] [Dhaka THE BANGLADESH TIMES in English 7 Apr 84 p 3]

PRIME MINISTER'S SECRETARIAT--The Prime Minister's Secretariat created on April 1 under an executive order, has been allocated eight different businesses to function, reports FNA. These are matters relating to political affairs, summoning, prorogation and dissolution of parliament, maintaining liaison between ministries or divisions and parliament in respect of legislative and parliamentary business, franchise policy, liaison with international organisations and matters relating to treaties and agreements with other countries and world bodies relating to subjects allocated to this secretariat, all laws on subjects allocated to this secretariat, inquiries and statistics on any of the subjects allocated to this secretariat and fees in respect of any of the subjects allocated to this secretariat except fees taken in counts. [Text] [Dhaka THE NEW NATION in English 24 Apr 84 pp 1, 8]

POLISH AMBASSADOR'S CREDENTIALS--The new Polish ambassador to Bangladesh, Mr Ryszard Fijakoski, presented his credentials to the President and CMLA Lt. Gen. H. M. Ershad, at Bangabhaban yesterday morning, reports BSS. Presenting his credentials the envoy said that the relations between Bangladesh and Poland were based on mutual understanding and cordiality. He said, he would try his best to strengthen further the existing relations to the mutual benefits of both the countries during the period of his incumbency. President Ershad reciprocated the sentiment expressed by the Policy envoy and hoped that the relations between the two countries would continue to gain in strength in the years ahead. He assured the envoy of all cooperation and assistance in the discharge of his duties and responsibilities during his tenure of office in Bangladesh. Earlier on arrival the Polish ambassador took a salute presented by a smartly turned out contingent of the Presidents guard regiment. He also inspected the guard. [Text] [Dhaka THE NEW NATION in English 19 Apr 84 p 3]

POWER TRANSFER DEMANDED--People's League (Gharib Newaz) yesterday demanded withdrawal of Martial Law and transfer of power to the Chief Justice. A resolution of the public meeting organised by the People's League at Baitul Mukarram square yesterday afternoon also called for unconditional release of political prisoners and the legitimate demands of the lawyers. Presided over by party Chairman Gharib Newaz the meeting was also addressed by Secretary General Syed Mahbub Hossain, Vice Chairman Nur Mohammad Khan, Mahbub Alam and General Secretary of pro-People's League Chhatra League Mirazul Islam. The meeting expressed its grave concern over the price hike of essential commodities and called for reinstatement of the terminated bank employees. [Text] [Dhaka THE NEW NATION in English 17 Apr 84 p 8]

MESSAGE TO TIKHONOV--The Prime Minister, Mr Ataur Rahman Khan, has sent a message of felicitations to Mr Nicolai A Tikhonov on his re-election to the office of the Chairman of the Council of Ministers of the Soviet Union, reports BSS. [Text] [Dhaka THE NEW NATION in English 17 Apr 84 p 1]

CONGRESS-I ADOPTS NEW POLICY ON CHOOSING CANDIDATES

Madras THE HINDU in English 23 Apr 84 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, April 22--The Congress (I) Parliamentary Board is following a new policy of letting the party leaders in different States decide among themselves the names of suitable candidates for fighting thee impending by-elections, without imposing the nominees from Delhi as far as possible.

The by-elections to 23 Assembly seats--four in Tamil Nadu, three each in Kerala and Bihar, two each in Andhra Pradesh, Uttar Pradesh and West Bengal, and one each in Karnataka, Gujarat, Himachal Pradesh, Madhya Pradesh, Rajasthan, Manipur and Nagaland--are to take place shortly. The Parliamentary Board has been meeting to select candidates.

After the embarrassment caused to the party by the wrong choice made in some cases for the recent Rajya Sabha elections, the Congress (I) Central leadership has decided to abide by the advice of the local leaders if they can come forward with agreed names. Apart from ensuring the selection of widely acceptable candidates, the Congress (I) wants to ensure that there will be no internal sabotage of the prospects of the party nominees this time.

The sad events in Maharashtra have made the High Command even more concerned about the party's poor image in the southern States. It will be difficult for the party to secure a comfortable margin in the Lok Sabha elections. If the Congress (I) does not fare reasonably well in at least two of the four southern States.

**Important by-elections:** The two by-elections in Andhra Pradesh--in Asifnagar constituency in Nyderabad and in Machilipatnam in Krishna district--have come to assume special importance since the Congress (I) will be fighting for the first time Mr. N. T. Rama Rao's Telugu Desam and Dr. M. Chenna Reddi's National Democratic candidates. The party has little hope of winning the Asifnagar seat which might go to the ~~Ittihad-Ul-Muslimin~~ candidate, but it is keen on putting up a good fight in Machilipatnam.

It is for this reason that the Prime Minister, Mrs. Indira Gandhi, has asked the three Andhra Central Ministers, Mr. P. V. Narasimha Rao, Mr. P. Shiv

Shankar and Mr. Vijayabhaskara Reddi, to confer with the PCC president, Mr. Rajasekara Reddi, to select a candidate who is capable of winning this seat. She has also called Mr. Brahmananda Reddi and Mr. Janardhan Reddi to seek their views on how the party should proceed to fight these by-elections in the State.

CSO: 4600/1805

PRESIDENT SINGH TELLS POLICY ON CENTRAL AMERICA

Calcutta THE STATESMAN in English 24 Apr 84 p 1

[Text] MEXICO CITY, April 23--India tonight shared Mexico's concern over the crisis in Central America and strongly came out against "interference and intervention" by superpowers anywhere in the world, report PTI and UNI.

Speaking at a banquet hosted in his honour by the Mexican President, Mr Miguel de la Madrid, President Zail Singh said the superpowers could not use the need for their security as a plank for interference and intervention elsewhere.

"This is our conviction. Therefore, naturally, India shares Mexico's concern over the crisis in Central America", the President said without mincing words at the banquet hall of the Foreign Ministry.

Both President Zail Singh and his Mexican counterpart made a forceful plea for resumption of dialogue between the two superpowers to limit and reduce the world's arms burden.

Mr. Zail Singh, who arrived here earlier in the day on a four-day State visit on the first leg of his two-nation tour, stressed the need for greater South-South cooperation in the spirit of collective self-reliance.

India and Mexico could give a lead by seriously exploring the possibilities of developing mutually beneficial cooperation, he said.

He mentioned the setting up of an Indo-Mexican Joint Economic Commission which will be holding its first meeting shortly. The modalities for setting up the commission will be finalized at the official level talks during the President's visit.

Mr Zail Singh, who is the first-ever Indian Head of State to visit this country, conveyed to President Miguel de la Madrid the greetings and good wishes of the Government and people of India.

CSO: 4600/1806

## PAPERS NOTE IMPORTANCE OF SINO-BHUTANESE TALKS

Vital to India

Calcutta THE TELEGRAPH in English 16 Apr 84 p 4

[Text]

**Beijing, April 15 (PTI):** India will be watching with keen interest the first round of border talks here between China and Bhutan from tomorrow.

The five-day meeting will not only be the first official contact between China and Bhutan since 1959 when Bhutan banned border trade following the uprising in Tibet but also the kingdom's first independent bilateral diplomatic initiative.

Under a 1949 treaty with Bhutan, New Delhi guides the foreign policy of Thimpu, which does not have diplomatic relations with any country except India and Bangladesh. Observers here said the arrival of an independent Bhutanese team in Beijing for talks was in fact reflective of a fair degree of mutual confidence between India and Bhutan.

India, of course, would like to see a settled border between Bhutan and China and it is apparently with India's approval that the kingdom has since 1981 shown a readiness to negotiate the demarcation of its 500-km border with China.

On the eve of the talks, king Jigme Singye Wangchuk of Bhutan was reported as saying, "We have a very clear and precise traditional border, but it is extremely important for a land-locked country to have defined boundaries."

For New Delhi, it would be also interesting to see how the Chinese approach the border question in their talks with the seven-member Bhutanese team

led by their ambassador to India, Mr Om Pradhan.

The Chinese approach and the principles they enunciate would surely have some relevance for the fifth round of official level Sino-Indian border talks to be held in Beijing sometime this year. The dates are yet to be announced.

There is one difference though. While the Bhutan-Tibet border is said to follow clearly identifiable geographical principles like high mountains and watersheds, it has never been delineated or demarcated on the ground. On the other hand, in the case of adjacent Indian territory of Arunachal Pradesh an old delineation (McMahon line) is unacceptable to the Chinese.

Another point of divergence between China and India—China's persistent refusal to accept Sikkim as an Indian state—was again brought to the fore through the Chinese announcement last Wednesday regarding the border talks with Bhutan.

Outlining the Himalayan kingdom's location, the official Xinhua news agency said Bhutan "is situated on the southern slopes of the eastern sector of the Himalayas, it borders on China's Tibet autonomous region in the north, India in the south and Sikkim in southwest."

The agency had done something similar shortly before the last round of Sino-India border talks in New Delhi last October. It had then described Sikkim as a country in a report on the Lhasa celebrations of the

Chinese national day. But Beijing again rejected Indian protests.

Yet the two sides were officially said to have made "reasonable progress" at the October talks which still revolved round five general principles put forward by the Chinese and six working propositions made by the Indians.

There was said to be an understanding that negotiations on the boundary question should take into account historical cus-

toms and traditions and non-use of force in evidence. Customs and traditions and the inadmissibility of the use of force in acquiring territory was accepted as a general principle.

But there were said to be some differences on relying on geographical principles such as watersheds. It would thus be interesting watch Beijing's approach at the Sino-Bhutanese talks as it cannot possibly put forth one set of principles for Bhutan and another for India.

#### Talks Reported Inconclusive

New Delhi PATRIOT in English 22 Apr 84 p 7

[Text]

**Beijing, April 21 (PTI)**— China will send a delegation to Bhutan for the second round of boundary talks, the Chinese Foreign Minister Mr Wu Xueqian, told a team from the Himalayan kingdom. But he did not say when it would.

The official Xinhua news agency said the Minister also asked on Thursday the team leader Mr Om Pradhan, the Bhutanese Ambassador to India, to convey his invitation to the Butanese Foreign Minister Lyonpo Dawa Tsering, to visit China at a time convenient to him.

So long as the two countries continued their friendly negotiations on the basis of five principles of peaceful co-existence, the boundary question between China and Bhutan would certainly be settled, Mr Xueqian said.

There was no definite word about the precise outcome of the first round of Sino-Bhutanese border talks, but Mr Wu said it had gained very good results.

According to Xinhua, Mr Pradhan, who led the seven-member Bhutanese team, held "similar views with the Chinese Foreign Minister" describing the talks as "fruitful and satisfactory to both sides."

Mr Pradhan was also quoted as saying that there had always been goodwill in Bhutan for China and no wars and conflicts had ever occurred between the two countries on the border issue. He expressed confidence that with the settlement of the boundary issue, the relations between China and Bhutan would be further promoted.

Mr WU Xueqian, who is also a State councillor, spoke highly of Bhutan's policy of independence and self-reliance. "China and Bhutan have been friendly to each other since the ancient time and there is no conflict of interests between the two countries", he added.

CSO: 4600/1801

## RAJASTHAN CPI-M DISSIDENTS FORM NEW PARTY

New Delhi PATRIOT in English 17 Apr 84 p 6

[Text]

**Jaipur, April 18**—The break-away group of the Rajasthan unit of the CPI-M led by former party secretary Mohan Punamia has launched a new state-level party called the 'Marxist Communist Party of Rajasthan'.

After a three-day conference of communist workers, Mr Punamia formally announced the formation of the party at a press conference here today. He has been elected the general secretary of the new party.

Those who attended the conference included several former members of the central committee of the CPI-M such as secretary of the Marxist Communist Party of Bihar Sievar Sharan Srivastava, secretary of the Marxist Communist Party of Andhra Pradesh M. Omkar (MLA), secretary of the Marxist Front of UP Dharam Pal Singh and Mr S N Purohit of the Janwadi Morcha of Madhya Pradesh.

A press release signed by Mr Punamia, circulated at the press conference attacked the present leadership and working of the CPI-M.

It said "we are convinced that the present crisis in the CPI-M is the direct consequence of a wrong political line and organisational methods,

adopted by the leadership at various levels."

The press release charged that the CPI-M is forging all sorts of opportunist alliances and giving up the basic task of unity of the left forces and People's Democratic Front."

The leaders clarified that "our differences with the CPI continue and we are also firmly opposed to the policy pursued by various Naxalite groups."

They said that though they were at present working through different platforms in various States and had varied experiences of mass movements, they had decided to continue their consultations.

They said they would be meeting at Hyderabad in July.

Mr Punamia and other leaders revealed that in 1980 they were opposed to the party line initiated. By Mr EMS Namboodiripad regarding seat adjustments with all opposition parties including the BJP.

Criticising the CPI-M stand on the Punjab crisis, Mr Punamia said the party leadership had failed in taking an independent position to fight both Sikh and Hindu communalism.

CSO: 4600/1816

ANALYST TELLS SIGNIFICANCE OF NAKASONE VISIT

Madras THE HINDU in English 21 Apr 84 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, April 20--The Prime Minister of Japan, Mr. Yasuhiro Nakasone, is expected to make a major announcement of his country's readiness to assist India in its industrial development in several spheres, when he addresses members of Parliament on May 5 before the conclusion of his three-day visit.

His senior advisers are drafting the speech, in consultation with the Ministries concerned of the Japanese Government to make it a historic event from both political and economic angles in setting a right tone for the development of closer bilateral relations.

It is not the Japanese style of diplomacy to utilise State visits for making specific announcements about increased yen credits or participation in specific projects, since the general practice hitherto has been to leave such issues to be discussed at functional levels by the two Governments in concert with the respective business interests. But there are indications that Mr. Nakasone might depart from the normal practice, as he did during his recent visit to China, to elevate the level of dialogue with India for both geopolitical and economic reasons.

Gesture appreciated: The Japanese Prime Minister has greatly appreciated the Indian gesture in inviting him to address members of Parliament, a rare honour hitherto extended only to the heads of Government of the United States, Soviet Union, Britain and France. The invitation has acquired some special significance from the Japanese point of view since it nearly fits in with Mr. Nakasone's desire for giving a new Asian angle to his country's quest for matching political role reflecting its growing global importance as an economic giant ranking now next only to the United States.

It is now generally known that in the last 23 years Japan has given India a total of 574,700 million yen (roughly \$2 billions based on the average rate of exchange prevalent during the last two decades--about Rs. 2,200 crores now) to pay for Japanese equipment and services in a wide range of industries from steel, oil and power to fertilizers, petrochemicals and telecommunications.

But the direct private investment by Japanese companies in Indian ventures has been less than \$100 millions, although over 600 collaboration agreements had been approved and about 90 Japanese companies are now operating in India with varying degrees of participation.

**Bigger involvement:** The Government of India is now making a bid for bigger Japanese involvement in the country's development and discussion have been going on for Japanese participation in the construction of the gas pipeline linking the off-shore Bombay High oil wells with the new gas-based fertilizer plants to be set up in Gujarat, Madhya Pradesh, Rajasthan and Uttar Pradesh, besides modernisation of the Durgapur steel plant and the Heavy Engineering plant at Ranchi, the Gandak hydro-electric project and the new electronic industries proposed to be set up with foreign collaboration. It is quite likely that during his talks with Mrs. Indira Gandhi, the Japanese Prime Minister will give some idea of the extent to which his country will be prepared to participate in some of these projects, and the additional yen credits that might be made available, if the right approach is made by India to generate adequate interest among the big Japanese industrial corporations.

The expectation is that Japan might offer an extra yen credit to the tune of at least \$1 billion, if not more, to match its recent overtures to China, provided the present policy of liberalisation holds out enough promise of increased capital participation without undue restrictions. The one point that is repeatedly made by Japanese politicians, bureaucrats and business-men is that it is no use borrowing Japanese technology for establishing new industries or modernising existing ones to increase productivity, unless India is ready to adapt itself to Japanese management methods and work culture.

The Japanese do not believe that, with its inadequate and woefully mismanaged infrastructure, India can really leap forward with the new technological age even with the best of foreign collaboration, unless it is prepared to adopt more efficient methods of industrial management to make better use of its installed capacity in the fields of power, transport and communications. They stress with equal emphasis the need for avoiding the vagaries of frequent policy changes, with lesser and lesser governmental interference with production, marketing and export promotion based on open competition.

**Dynamic leader:** A more modern-minded politician free from the traditional Japanese traits of excessive caution and reticence, Mr. Nakasone has already impressed the world leaders as a man of great dynamism with a passion for providing greater depth and dimension to aspirations of Japan to play an increasingly important political role commensurate with its enormous economic achievements. He realises the need for making a promising start in Asia itself without detriment to its closer associations with the West, which will probably be the main theme of his private discussions as well as public speeches in Delhi.

CSO: 4600/1800

RAJIV SPEECH OPENS INDIA-CUBA FRIENDSHIP ASSOCIATION

New Delhi PATRIOT in English 17 Apr 84 p 3

[Text]

India and Cuba had stood together and cooperated in the non-aligned movement and against imperialist pressures, to defend not only our own independence, but also of other countries, Congress-I general secretary Rajiv Gandhi said on Monday.

Inaugurating the Indo-Cuban Friendship Association in the Capital, Mr Gandhi said India and Cuba had a similar past. Whereas India was under British colonial rule, Cuba was under the colonial suppression of Spain and America. Both India and Cuba had to fight their way to independence. He pointed out that even today there were attempts to pressure India and Cuba by the imperialists.

Mr Gandhi said the formation of Indo-Cuban Friendship Association will bring the people of two countries closer and will ensure that all the agreements between two countries just did not remain on paper but are implemented in their true spirit.

Cuban Ambassador Jose Novoa said it was a happy occasion that ICFA had been formed under the auspices of Congress-I general secretary Rajiv Gandhi. Castigation the policy of US

imperialism he said their hegemonic policy on Latin America and their reluctance and arrogance had prevented them from accepting any change and peoples right to exercise their full freedom and national sovereignty.

While conveying the solidarity of the Cuban government he assured Indian people and Indira Gandhi in particular that they would always find Cuba on their side in face of any attempts to destabilise, divide and harass India as well as to guarantee the economic development, independence and national unity.

Addressing the meeting Congress-I MP D C Godeja said it was a matter of great satisfaction that a long felt need for developing friendship between people of two countries had been fulfilled with the establishment of ICFA.

General secretary Indian society for Latin America Margret Alva said 23 years back on 18 April mercenaries and counter revolutionary elements financed by US imperialism had attacked Cuba which came to be known to world as "Bay of Pigs" attack. The attack was crushed within 72 hours, she said. She said formation of ICFA will go a long way in the Indo-Cuban relations.

CSO: 4600/1816

## FINANCE MINISTER SPEAKS TO IMF INTERIM COMMITTEE

Calcutta THE TELEGRAPH in English 14 Apr 84 p 5

[Text]

**Washington, April 13 (UNI):** The Union finance minister, Mr Pra-nab Mukherjee, has called for an immediate decision by the IMF interim committee on an allocation of SDR 45 billion for the next three years to help the developing countries.

Addressing the interim committee here yesterday, Mr Mukherjee regretted that some countries were standing in the way of such a decision which was favoured by most members of the Fund.

To improve the plight of the developing countries, he called for a "clear and concerted plan of action" on three fronts, interest rates, protectionism and financial flows to developing countries.

First, he wanted the industrial countries to initiate appropriate domestic policies to bring down the high real rates of interest.

The lowering of interest rates by the industrial countries, Mr Mukherjee said, would reduce the continuing debt servicing burden of developing nations, ameliorate the misallocation of global capital flows and help in achieving more realistic exchange rates among the major currencies.

**Protectionism criticised:** Stressing the need to improve the environment for trade, Mr Mukherjee regretted that protectionist measures had been intensified.

"In this context, we view with alarm the tendency to justify increasing restrictions (on exports by developing countries) on the

pretext of unfair competition," he observed.

The industrial countries should take action to adjust their economic structure to a changed situation, he said. This would enable them to increase output in areas where they had a competitive advantage.

"Without this kind of structural flexibility and adjustment of their economies, the world economy cannot move forward at a reasonable pace," he said.

Mr Mukherjee emphasised that adequate financial flows on appropriate terms should also be made available to developing countries. Concessional flows were what the low income developing countries needed so that investments in infrastructure, agriculture and human resources could take place without unsustainable debt burdens.

Mr Mukherjee noted with regret that the decline in international commitment to aid "is one of the most distressing features of recent times." He hoped that with economic recovery now beginning to take place, "the mandate for aid will once more be strengthened."

He said India had been able to bring about an improvement in its balance of payments at a faster rate than anticipated through a "sound adjustment of policies."

Mr Mukherjee rejected the view that an SDR allocation now would accentuate the inflationary spiral or impair the adjustment process.

## ANALYST ON INDIAN POSITION ON STRAYING PAKISTAN PLANE

Madras THE HINDU in English 22 Apr 84 p 12

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 21.

The Defence Minister, Mr. R. Venkataraman, told Parliament today that the Indian Air Force authorities who inspected the Pakistani trainer aircraft that had made an emergency landing at Mukhenan in Hoshiarpur district of Punjab on Wednesday after running short of fuel did not find any sophisticated electronic gadgets other than the normal flying equipment on it.

After satisfying itself that it was a genuine case of navigational error which made this trainer plane inadvertently enter Indian air space, the Home Ministry had directed the Punjab Government to return the aircraft and repatriate its two occupants to Pakistan.

The Defence Minister said the Government had accepted Pakistan's regret over the violation of Indian air space by this civilian aircraft. There were similar incidents in the recent past and the Government had taken up each one of these violations with Pakistan to prevent the recurrence of such cases in future.

**Air space violations monitored:** Mr. Venkataraman assured the Lok Sabha that adequate arrangements existed in the country for detection of any violation of Indian air space. As soon as the Pakistani trainer aircraft, belonging to the Lahore Flying Club, entered Indian air space, a BSF observation post at Hussainiwala near Ferozepur saw it and alerted the Army and Air Force about it. A general air search was immediately ordered by both the civil and military authorities and the Punjab Government was subsequently informed of the emergency landing.

The facts of the case indicated that this Pakistani aircraft which took off from Walton airport near Lahore at 11 a.m. on April 18 with two occupants for a two-hour training flight lost track and instead of returning along the Ravi riverbed within Pakistan, followed

the Beas riverbed on the Indian side. It entered Indian air space near Ferozepur at about 12.50 p.m. and flew in a north-easterly direction. It force landed in a field near Mukhenan at about 2.30 p.m. after running out of fuel and the matter was immediately brought to the notice of the Punjab Government.

When Mr. Venkataraman rose to make the statement, Mr. Maniram Bagri (LD) told the Deputy Speaker, Mr. G. Lakshmanan, who was in the chair that the Government's decision to return both the aircraft and its occupants to Pakistan even before apprising Parliament of what exactly happened amounted to a breach of privilege. The Deputy Speaker said that this aspect could be considered later and asked the Minister to make his statement on the incident.

**No sinister mission:** The episode which would normally have attracted little attention had acquired some political overtones because of the prevailing tensions in Punjab and fears of Pakistani involvement in the Akali agitation. The political parties were naturally exercised over reports that the aircraft might have been on some sinister mission.

It was for this reason that the Government made a thorough inquiry into the incident to satisfy itself that the Pakistani aircraft had really lost its way and entered Indian air space by mistake. The Defence Minister's statement was intended to assure the agitated members that there was no sinister design behind this violation of Indian air space.

PTI reports from Islamabad

Pakistan today conveyed its appreciation to India for returning the two pilots of the aircraft. "The Pakistan Government is also appreciative of the arrangements being made for the transportation of the aircraft to Pakistan," an official press release said.

CSO: 4600/1802

#### BRITISH VISITOR DISCUSSED PROPOSED DEFENSE DEALS

Bombay THE TIMES OF INDIA in English 3 May 84 pp 1, 9

[Text] NEW DELHI, May 2--INDIA and Britain are likely to sign soon a general memorandum of understanding to cover defence deals in the future, though with each specific contract a more detailed memorandum will also have to be signed.

This was stated here today by Mr. Geoffrey Pattie, British minister of state for defence procurement, who was holding talks with Mr. R. Venkataraman, Mr. K. P. Singh Deo and top officials of the ministry of defence and armed forces.

According to the visiting British minister, the proposed memorandum of understanding will provide the framework for all future deals and will cover such important points as transfer of technology, including subsequent improvements, guarantee for uninterrupted supply of spare parts and so on.

As for the specific projects now under discussion between Britain and India, Mr. Pattie refused to say anything. But according to informed sources, quite a few significant deals are being discussed by the two governments and some at least may be clinched soon.

It is learnt that what may materialise within weeks is a proposal for India to buy "engineering combat tractors" from Britain. These are sophisticated and versatile armoured vehicles for recovery, clearing up and other operations. Each vehicle costs about a million pounds. Initially, India may buy only five such vehicles along with an option to procure 35 more later.

Indo-British collaboration for joint development of a Light Combat Aircraft (LCA), expected to be operational in the 'nineties, has been under discussion for some time. These talks have apparently been carried forward beyond Mr. Pattie's stay in Delhi. These will reach a conclusive stage, if at all, only at a much later date.

Apparently, some North Atlantic Treaty Organisation countries, including Britain, have been tentatively planning a similar aircraft for use by NATO base on the RB-99 engine which is being supplied for the LCA in India, too.

However, a major deal on Sea Harriers is likely to be announced fairly soon. When India last bought eight Sea Harrier "Jump Jets", it was clear that more

of these aircraft will have to be bought if they were to be of any use to the navy. It seems that a further purchase of 11 Sea Harriers is contemplated so that the navy's only aircraft carrier, INS Vikrant, has at least a functioning squadron at any given time.

Britain is in the field in a big way also for the supply of a field-gun which India needs urgently. A decision has been taken that it should be a 155-mm gun, which rules out the Soviet Union as a supplier and leaves Britain, France, Sweden and Germany as the four competitors.

The order is bound to be a lucrative one because a minimum of 200 and a maximum of 600 guns may be involved. Each gun costs about £140,000 and the accessories worth nearly of the same amount go with each gun. What is more, apart from field guns, India also needs self-propelled guns of the same calibre. This means that whoever sells field guns will perhaps be asked to supply self-propelled guns, too.

As in most cases, only a small number of field guns will be imported outright. The rest will be produced under licence in India.

Britain has also offered to supply Westland-30 helicopters. If this deal goes through the helicopters will be used by the Oil and Natural Gas Commission, though these will be bought by the ministry of defence.

Evidently, Britain looks forward to a large, expanding and long-term collaboration with India in the field of defence production and supplies.

Britain is aware of the competitiveness in the arms market and this should explain how the two countries have quickly agreed on the terms of the memorandum of understanding which may be signed in a few months when the British permanent undersecretary of the defence ministry, Mr. Whitmore, visits India.

CSO: 4600/1812

PEOPLE'S REVOLUTIONARY LEAGUE LEADER MEETS PRESS

Calcutta THE STATESMAN in English 25 Apr 84 p 3

[Text] The path of annihilation to eliminate class enemies followed by the Naxalites in the past had subsequently proved to be wrong because the common people could not be involved in this class struggle theory, according to Mr Asim Chatterjee, secretary of the Communist Revolutionary League of India.

He told reporters in Calcutta on Wednesday that at the same time people in general wanted a change in the present social system. He said neither the "bourgeois" parties like the Congress (I), BJP, Janata and Lok Dal nor the "revisionist" parties like the CPI and CPI (M) had the capacity to give the right leadership to the Indian masses. This leadership could only come from the combined strength of the Communist revolutionaries. To achieve this end, it was necessary to form the second all-India Coordination Committee of the Communist Revolutionaries.

He maintained that in India there was no party professing and practising Communism; only some revisionist parties were branded as Communist parties.

Mr Chatterjee said that with a view to forming "a real Communist party", some Communist revolutionaries had met on April 13 and 14. About 65 delegates from West Bengal and Bihar attended the meeting. The Satya Narain group of the CPI (ML), the Communist League of India, U.P. and the Unity Committee of the Communist Revolutionaries of India led by Mr Safiq Choudhury had already sent feelers to Mr Asim Chatterjee's group for the formation of the second all-India Coordination Committee of the Communist Revolutionaries.

On the international situation he said that the Soviet Union was practising "socialist imperialism". Its presence in Afghanistan was a blatant example of Soviet imperialism. He said that "a bunch of revisionists" was at the helm of the Chinese regime. Supporting the cultural revolution in China initiated by Mao, he said that a series of such revolutions was necessary to usher in socialism in that country.

CSO: 4600/1811

BILL TO AMEND UNION TERRITORIES ACT PASSED

New Delhi PATRIOT in English 25 Apr 84 p 5

[Text]

The Rajya Sabha on Tuesday passed the Union Territories (Amendment) Bill to enable holding of Assembly elections in Union Territories, including Mizoram, on the basis of delimitation of constituencies done after the 1971 census, report agencies.

Minister of State for Home P Venkatasubbaiah, who piloted the Bill, said the 1981 census figures were available and the Government of Union Territories Act, 1963 required the population of each Assembly constituency to be almost the same. The process of fresh delimitation was however time-consuming and elections in some Union Territories were to be held urgently as the term of existing legislative assemblies had expired.

The Bill also revaluated the actions taken to set in motion the process of Assembly elections in Mizoram scheduled for 26 April.

No statehood for Delhi

The Government turned down the demand for an Assembly and statehood for Delhi.

Mr Venkatasubbaiah said the State Reorganisation Committee had not favoured such a status for Delhi.

Mr J K Jain (Cong-I) said that since the population of Delhi was increasing at a fast pace, for adequate representation in Parliament its delimitation process should not be frozen till 2000 AD.

Mr M Kalyanasundaram (CPI) said there was no justification for freezing the delimitation process. He demanded an Assembly for Delhi and constitution of a committee to consider demands for more powers to Union Territories.

CSO: 4600/1810

## 'SOURCE' REPORTS ON U.S. PRESENCE IN SRI LANKA

Madras THE HINDU in English 22 Apr 84 p 1

[Text]

MADRAS, April 21.

In spite of the Sri Lanka Government's posture of innocence, the island nation's massive oil storage facility at Trincomalee appears to have gone into the hands of a firm associated with the U.S.

According to informed sources here, the consortium companies which have secured the lease of the Trincomalee Oil Tank Farm are really fronts for an American-based company, and the event is fraught with serious consequences as it will give a foothold to the superpower in the strategic Trincomalee harbour in the Indian Ocean.

The Trincomalee Oil Tank Farm consists of 100 huge tanks built over 700 acres. Put up by the British rulers during the second World War it is one of the biggest oil storage facilities available in the Indian Ocean area and is now in disuse and disrepair. With its strategic importance, the Farm has been the target of a Bermuda-based company "ostensibly for commercial purposes".

Deal falls through: A couple of years ago, the company in private negotiations was able to persuade the Sri Lanka Government to hand over the facility to it on lease, but the deal fell through following objections raised by the Tamil United Liberation Front members in Parliament on the ground that the company — Coastal Corporation of Bermuda — was "admittedly,

not free from superpower influence". It was also pointed out then that leasing out the Farm to the Bermuda company could become a cause for superpower rivalry in the Indian Ocean and at critical times render the oil storage facility a source of grave danger to the whole of Trincomalee. The Government of India also conveyed its fears through diplomatic channels.

Non-aligned participation mooted: As the Leader of the Opposition in Sri Lanka Parliament then, Mr. A. Amirthalingam had suggested that non-aligned participation in the use of the facility be encouraged in order to allay all fears. At that time, the Sri Lanka Government appreciated the TULF's stand and gave the assurance that it would call for global tenders.

Again, as late as in the middle of March this year, the TULF got scent of manoeuvres to secure the lease of the facility, and the former Member of Parliament from Trincomalee, Mr. R. Sampanthen, wrote to the President, Mr. Jayewardene, expressing the fear that the credentials of some of the organisations which had tendered were doubtful and that they were indeed fronts susceptible to superpower influence. He had also pointed out that if those companies won the tender, it could promote superpower rivalry in the Indian Ocean and increasingly contribute to the development

of a dangerous situation.

A front for U.S. firm: It is now reported that a consortium of three companies — Oroleum of Singapore, Tradineft of Switzerland and Oiltanks of West Germany — has been successful in obtaining the tender to which India had also bid. According to documents made available to THE HINDU, Oroleum (Far East) Private Limited, the prime partner in the consortium, was registered in Singapore on February 17, 1982, with petroleum and mining consultant services, labour contracting services and shipbuilding and repairing as its principal activities. The entire share capital of 100,000 Singapore dollars is held by Oroleum Limited, Bermuda.

Though the Sri Lanka Minister for Petroleum had assured his country's Parliament in March that the consortium companies had no link with power blocs, it is pointed out that Oroleum is really a front for the U.S.-based Coastal Corporation of Bermuda which tried to secure the lease earlier.

Surreptitious move: The Oroleum of Singapore, these sources point out, did not submit its tender in time, and a U.S.-based firm withdrew its tender which was substituted by Oroleum "to make it appear that there is no American interest involved in the deal". However, the sources are emphatic that the connection is obvious — though the prime partner in the consortium is a firm registered in Singapore, all its shares are held by a company in Bermuda which could be regarded as having association directly or indirectly with the superpower.

Also, Mr. Douglas Henry Miller, who is the Managing Director of Oroleum of Singapore, was the moving force behind the earlier attempt to secure the lease for the American firm. "Thus", they state, "the surreptitious way in which the oil storage facility has been leased out to an American firm stands exposed".

## INDIA DISMAYED OVER LATEST SRI LANKA DRIVE

Madras THE HINDU in English 24 Apr 84 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 23.

There is distress and dismay in Government circles here over the intensification of the so-called anti-terrorist operations by the Sri Lankan armed forces on the eve of the resumption of the adjourned round-table talks early next month to continue the efforts for finding a political solution to the island's ethnic problem.

It is quite evident from the manner in which a Sri Lankan naval patrol opened fire on Saturday night on a country boat killing 13 persons in the surveillance zone established along the Jaffna coast that the Jayewardene Government is out to step up these operations to display its determination to use maximum force against the Tamil militants under the guise of curbing terrorism.

The new patrol boats acquired by the Sri Lankan Navy from abroad are fast enough and well-equipped to intercept and capture any vessel within the coastal waters and the alleged terrorists travelling from Talaimannar towards Rameswaram could have been captured, if the intention was not to kill them. The Sri Lankan version of the incident does not claim that the occupants of the ill-fated boat were armed or returned the fire.

The official press release in Colombo merely stated that the Sri Lankan naval patrol opened fire when the boat carrying the alleged terrorists did not stop on being intercepted and challenged by it. The press release did not say that the naval patrol met with any resistance to justify the killing.

**Free hand to armed forces:** The new Minister for National Security, Mr. Lalith Athulathmudali, is reported to be adopting a tough line to project himself as a strong man by giving the Sri Lankan armed forces a free hand to use maximum force.

The issue was raised in both the Houses of Parliament today by the AIADMK and DMK members who expressed their anxiety and anguish over the killing of innocent Tamils by Sri Lankan armed forces.

The other Opposition party leaders, who were equally concerned about the firing by Bangladesh border police on Indian personnel erecting the fence wanted the Government to make detailed statements on the two disquieting developments.

The External Affairs Minister, Mr. P. V.

Narasimha Rao, was due to make a statement on the Sri Lankan situation in the light of the recent talks with Mr. Athulathmudali in Delhi. Now the statement would have to be recast to make an appropriate reference to the tensions generated by the intensification of the so-called anti-terrorist operations leading to indiscriminate and excessive use of force by the Sri Lankan armed forces.

**State 'Lions' to combat 'Tigers':** There are also reports that the Sinhala hardliners are being encouraged to organise their own "Lions" to fight the Tamil "Tigers" which means some of those in authority are ready to arm and train them to engage in parallel terrorism. The Government of India, which has been trying hard to persuade the Eelam militants not to resort to violence, will be faced with a difficult situation, if terrorism is organised to intimidate the supporters of separatism.

The Prime Minister, Mrs. Indira Gandhi, had recently written to the Sri Lanka President, Mr. J. R. Jayewardene, expressing her concern over the lack of progress at the round-table conference and the consequent risks of a revival of violence. Mr. Athulathmudali, who visited Delhi at the instance of the Indian Government, had brought Mr. Jayewardene's reply with him.

A near crisis is now developing over Mr. Jayewardene's retraction from his earlier proposal for zonal councils, since he is now insisting that district councils should be adequate for the present. His idea is to have a joint executive for the concerned districts in a particular region, instead of having full-fledged regional councils, so that the district councils could continue to be treated as basic units.

**The district council farce:** This proposal is totally unacceptable even to the moderate leaders of the Tamil United Liberation Front (TULF), not to speak of the Eelam militants, since it will reduce the whole concept of devolution of powers into a farce with the district councils having no effective powers to protect the Tamil minority's interests. And this is where the whole exercise for a political settlement is now stuck in the wake of increasing governmental violence to curb the activities of the Eelam extremists who have apparently lost all faith in negotiations.

## NEW PARTY IN KERALA CHALLENGES MUSLIM LEAGUES

Calcutta THE TELEGRAPH in English 22 Apr 84 p 5

[Text]

**Trivandrum, April 21:** The emergence of the Muslim Democratic Party in Kerala is posing a serious challenge to both the Muslim Leagues in the state, threatening the political balance in the northern region. The Manjeri constituency, where a byelection will be held on May 21, is particularly affected.

"Both the IUML and AIML have done more harm than good to the Muslims of Kerala," Mr K.M. Mohammed Koya, state vice-president, told **The Telegraph** in Calicut where the party has its office. Mr Koya feels only the MDP represents the interest of the Sunni sect which comprises the bulk of the Muslim population in the state. The IUML, most of whose leaders belong to the minority Mujahid sect, has consistently exploited the common Muslim, according to Mr Koya.

The local Sunni population has been a dormant force who had placed its faith in the Muslim League leaders with their aristocratic lineage. This faith has now been replaced by frustration and may well be reflected in the polls.

The main grouse of the Sunni Muslims in the state is that the IUML has taken over the authority of the Sunni mosques in and around Calicut. In Calicut alone, there are 24 Sunni mosques. The IUML allegedly set up a committee of ownership of the mosques and had it secretly registered, "sing as its legal guideline the Indian Society Act of 1960. When the ownership was legally challenged by the Sunnis, the Act was raised in court and the matter quashed. Those who moved the courts were reportedly beaten up. The undemocratic

ownership of mosques persists even today. In this manner IUML has been able to corner the wealth accruing from the Sunni institutions.

MDP leaders have charged the IUML with inciting Hindu-Muslim tension in areas like Farouk off Calicut through inflammatory speeches. "Before 1921 there was no tension between Hindus and Muslims here," said one MDP leader. The Mujahid sect came into being in Kerala in 1921.

The fledgling political party has the recognition of the main Sunni religious order, the Kerala Jamiat-ul-Ulema which is the vortex of the Sunni sect of the state. The MDP aims to attack the IUML in its stronghold of Mallapuram.

Manjeri, in Mallapuram district, has traditionally gone to the IUML primarily because of the political charisma of the late IUML leader Mohammed Koya. The IUML intends to exploit the memory of Koya for the bypoll this time. Another election gimmick will be to take up the CPM stand against the Shariat laws. The IUML hopes to embarrass the rival AIML for allying with the Marxists who oppose the Muslim personal laws which the IUML defends.

The MDP is opposed to both the AIML and the IUML and its candidate for the bypoll in Manjeri is Mohammed Farouk Maulvi. The total electorate for the ensuring bypoll is, 1,05,453 with women making up about 60 per cent. Around 95 per cent of the electorate is Sunni. The significant political parties in the fray are the IUML, AIML, Congress(I), CPM and the MDP.

## TAMILS SEND MEMO TO UN HUMAN RIGHTS COMMISSION

Calcutta THE TELEGRAPH in English 23 Apr 84 p 4

[Text] **Madras, April 22:** The Tamil United Liberation Front (TULF) has sent a memorandum to the secretary-general of the UN Commission on human rights (UNCHR) to appoint a special rapporteur to conduct an impartial inquiry into the continuing violence against the Tamil people in Sri Lanka.

The memorandum urges the UNCHR to review its earlier decision taken at its 40th session held on March 7, that "further consideration of this matter (problem of the Sri Lanka Tamils) is not necessary" as information had been voluntarily submitted by the government of Sri Lanka on the July holocaust of 1983 and because the UNCHR hoped that a lasting solution would be achieved soon.

The TULF secretary-general, Mr A. Amirthalingam, has also urged the commission to "keep the situation under continuous review."

Addressing a press conference here today, Mr David Selbourne, British journalist, said the cost noted to a nation to prevent its minority from fulfilling their political aspirations was prohibitive and ultimately useless. Despite the huge amounts spent on

suppressing such demands, the need felt by the minority community only escalated.

He pointed out that the United Kingdom had spent £9,000 million since 1969 to suppress the uprising in Northern Ireland, yet the solution was nowhere in sight. If anything, Irish Catholics are today more determined to fulfil their political aspirations.

According to Mr Selbourne, the Sri Lanka Tamil problem is an irreversibly international issue which will continue to be so till such time the Tamils secure political justice and have elementary norms of law restored in their homeland.

Dr Selbourne was speaking at a press conference organised by Dr Era Janarthanam, AIADMK MLC and president of the World Tamil Youth Federation. A two-day "international conference on human rights violations against Tamils in Sri Lanka" begins here tomorrow. The conference will be attended by delegates representing international organisations like Amnesty International. Members of Parliament from ruling, as well as Opposition parties from Australia, the United Kingdom, West

Germany and Norway will also attend.

The TULF president, Mr M. Sivasithamparam, who has just returned from Jaffna, told newsmen that the firing on March 28 by Air Force men at Jaffna was definitely not in retaliation to firing by terrorists as made out by the Sri Lanka government. According to him, the injured victims and eyewitnesses categorically said it was an "unprovoked and planned" attack on Tamil civilians to terrorise them.

Following this incident, Sri Lanka radio and TV came out with the statement that the attack was in retaliation to an ambush staged by the Tigers, and that those killed were terrorists. Mr Sivasithamparam refuted this claim, pointing out that most of the persons killed were either women, young boys or old men.

**Torture alleged:** Several hundred Tamil youths are being subjected to "degrading and cruel torture" at police stations and prisons in northern and eastern Sri Lanka, according to the memorandum to the UNCHR, adds PTI. It stated that several detainees died due to the torture.

CSO: 4600/1804

## FAROOQ ABDULLAH SUSPENDS DISSIDENT LEGISLATOR

Calcutta THE TELEGRAPH in English 23 Apr 84 p 4

[Text]

**Srinagar, April 22:** The Jammu and Kashmir chief minister and president of the National Conference, Dr Farooq Abdullah, today suspended the dissident MLA, Sheikh Abdul Jabbar, from the party.

In a letter to Sheikh Jabbar, Dr Abdullah has accused him of making false allegations against the National Conference government. "It is expected of you to resign from the Legislative Assembly and seek reelection to prove your loyalty to National Conference," Dr Abdullah said.

Sheikh Jabbar had written a letter to the President, Mr Zail Singh on April 18, demanding action against the state government for its "wrong policies."

The ruling party, nevertheless, is concerned about Sheikh Jabbar's dissidence, especially because the new governor, Mr Jagmohan, is scheduled to assume office on Thursday. Dissident National Conference MLAs and the Congress(I) had earlier made charges that the outgoing governor, Mr B.K. Nehru, had been reluctant to take steps against the chief minister in spite of complaints and charges against him.

The dissident group had sent a letter to Mr B.K. Nehru on Fri-

day, urging him to take action against the chief minister for his alleged threats to political opponents which might "result in a grave law and order situation in the state." He had been asked not to be silent spectator to this "irresponsible and naked criminal tirade" by the chief minister.

The dissidents have once again claimed that majority of the MLAs have defected to the G.M. Shah faction and that Shah was now in a position to form his own government. However, Legislators loyal to Dr Abdullah have countered the claim.

Sheikh Jabbar's move has shocked the people of his constituency, Kangan, who yesterday took out a protest rally at Kangan town and burnt his effigy. When this correspondent visited Kangan this morning, he was told by some persons that Sheikh Jabbar had fled from Kangan. They said that Sheikh Jabbar should resign if he had any regard for moral values.

Some local residents, however, said that Sheikh Jabbar was forced to revolt against Dr Abdullah as the latter had failed to recognise his "sacrifices during the Plebiscite Front movement."

CSO: 4600/1804

MISSION OF SECOND EARTH OBSERVATION SATELLITE ENDED

Madras THE HINDU in English 25 Apr 84 p 7

[Text] BANGALORE, April 24--The mission of Bhaskara II, the second Indian experimental earth observation satellite, launched in November 1981, has been terminated since April 23, the Indian Space Research Organisation announced here today.

The closing of the Bhaskara II mission, ISRO said, marked the end of the experimental phase for space-based remote sensing. Bhaskara I and II enabled ISRO to gain first hand experience to configure a space segment for remote sensing with the attendant requirement of specifying the payload performance criteria, platform characteristics, ground system configuration including data product generation needs, and in-orbit management.

Operational phase: Further, in close collaboration with a number of user agencies, data from the two missions have been put to use for a variety of applications in the field of earth resources, oceanography and meteorology. The experience has enabled ISRO to enter the operational phase, represented by the initiation of work on the Indian remote sensing satellite to be launched in 1986.

Bhaskara II was launched by a Soviet rocket carrier into a near circular orbit at 525 kms attitude and 50.7 degree inclination. It completed 28 months in orbit on March 20, 1984. At the end of two years, the satellite had completed 11,044 orbits.

Bhaskara will continue to be observed for its remaining active life, estimated to be upto mid-May 1984. It was originally designed for 24 months in orbit, its life being primarily dictated by the quantity of gas on board to maintain the orientation control. Now, the last of the six gas bottles is being used.

It carried a two band television camera system, operating at visible and near infrared wave lengths and a three frequency microwave radiometre.

Despite degradation in the performance of camera-1 in January 1982 and of camera-2 in July 1982, ISRO said the television cameras acquired more than 1,000 two band imageries covering the whole country. They covered land cover mapping, forest mapping, snow mapping, geology, vegetation mapping, drought

monitoring and flood plain mapping. Ten land cover maps covering more than 50 per cent of India's geographical area have been prepared.

The radiometre continues to operate providing brightness and temperature information over both land and sea surface. The water vapours mapped over a 10-day period provide useful information on the Indian monsoon. The Indian Meteorological Department and National Institute of Oceanography played an active role in utilising data from Bhaskara II.

CSO: 4600/1809

## DEFENSE RESEARCH OFFICIALS ANSWER AUDIT CRITICISM

Madras THE HINDU in English 25 Apr 84 p 6

[Text]

NEW DELHI, April 24.

Persistence with the development of weapon system "A" for the Indian Air Force till June 1981 by six defence research establishments and laboratories at a cost of Rs. 16 crores even after the IAF had drawn their attention as early as 1973 that it would not need this system after 1980 and the failure by the Defence Research and Development Organisation (DRDO) to develop weapon system "B" preferred by the IAF have received detailed attention and comment in the 207th report of the Public Accounts Committee (PAC) presented to the Lok Sabha on Tuesday by its Chairman, Mr. Sunil Maitra.

The decision to continue with the development of system "A" was taken by a high level steering committee after it was approved by the Political Affairs Committee of the Union Cabinet, despite the fact that the IAF took a different view of its requirements.

In his evidence before the PAC, Dr. V. S. Arunachalam, Secretary, Department Defence Research and Development, explained why it was considered wise to continue with the development of system "A" instead of taking up system "B" as desired by Air Headquarters.

If I had switched to system "B", I would have been 10 years behind, he said. Replying to the point that system "A" was developed in the Fifties and had become obsolete, he said it was envisaged that those subsystems and components which were of outdated technology (1950s), would be replaced by the latest components, such as solid state devices. This was accomplished. The fact that system "A" was developed in the Fifties does not mean that all components and sub-systems were of outdated technology.

**Important aim:** Justifying the continuance of the development of the system by the DRDO, the department stated in a note, "the most important objective was to establish competence and infrastructure. Had the project not been brought to completion,

this objectives would have been defeated and there would have been a serious setback.

Only because of the continuation of development activities under the project for weapon "A" to a meaningful conclusion, could the country embark on the development programme under which a number of weapon systems are now being developed to meet the requirements of the services."

It was further stated by the Secretary that having developed the technological capability in system "A", "I am ready not only for this system but for "x" futuristic." We realized that we could get much more out of technology "A" than technology "B".

However, in 1975 the steering committee had recommended that DRDO should adopt technology "B" since other countries had started using weapon "B". But the Secretary of Defence Research and Development said that it would have taken at least three years and by that time the development would have become obsolescent. Presumably because of this, Air Headquarters decided in 1977 that system "A" should continue upto 1985 and indicated their requirements as 230 numbers during 1981-85. They also suggested extension of life of the existing weapon system "A" to 15 or 20 years.

If the life could not be extended beyond 15 years, 111 numbers of such a weapons system would have had to be imported before 1980.

The PAC after taking note of all these facts has, however, stated that the development of weapon systems similar to "B" should have been taken up earlier. Unfortunately this was not done and there is now a proposal to import six squadrons of system "B" during 1985-90.

The committee feels that had the switchover from the development of weapon system "A" to system "B" been made in 1973 itself when initially suggested by the Air Force, the need for six squadrons of weapons system similar to type "B" might have been met by the country's own production, in saving valuable foreign exchange.

CSO: 4600/1809

## DEFENSE MINISTER ANSWERS QUESTIONS ON INDIGENOUS TANK

New Delhi PATRIOT in English 25 Apr 84 p 5

[Text]

**The first Indian-built T-72 tank will roll out of the Avadi Tank Factory within the next 18 to 24 months. Defence Minister R Venkataraman announced in the Rajya Sabha on Tuesday, reports UNI.**

The Minister also assured members that the indigenous main battle tank (MBT) project would not be delayed "even if we have to import the latest engines from abroad."

Mr Venkataraman said the first prototype of the MBT using an indigenous engine was made available to users trials at Avadi on 22 March. This year as planned. Newer prototypes, with improvements desired by the services, would be made available at six-month intervals for evaluation and assessment.

He told Mr Jaswant Singh (BJP) that it was not possible to give results of individual subsystems trials of the MBT

Mr Venkataraman also informed the House that a final decision was yet to be taken on whether to improve the Vijayanta tank or to start production of a superior battle tank.

Replying to supplementaries, the Defence Minister said the MBT would finally have the superior 'Kanchan' armour developed by the Defence Research and Development Organisation. The R and D laboratories, he said amidst thumping of desks by members, had done remarkable work in the field of armour.

Replying to the main question, the Defence Minister said trials on the first prototype of the MBT had already started and would be continued till the design was "frozen"

CSO: 4600/1810

## ANALYST REPORTS ON PLANS TO BUY NEW WEAPONS

Team to Moscow

Madras THE HINDU in English 26 Apr 84 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 25.

The bi-annual conferences of the Army and Air Force Commanders now being held in Delhi are notable for the new confidence that the country's military establishment is exuding about its capacity to cope with any challenge that might be posed by Pakistan.

The Prime Minister, Mrs. Indira Gandhi, and the Defence Minister, Mr. R. Venkataraman, who have addressed the two conferences have called for utmost vigilance on the part of India's armed forces, while talking of the internal and external threats that India is now facing.

**Team for Moscow:** A high-power defence delegation will be visiting Moscow soon for detailed discussions on the acquisition of new weapon systems promised during the recent visit of the Soviet Defence Minister, Marshal Dmitri Ustinov, to Delhi. Similar teams will be going to other countries to select a suitable 155 mm field gun to back up the new armoured and infantry units equipped with T-72 tanks and advanced versions of other combat vehicles.

The absence of a rapid-firing, self-propelled field gun of 155 mm calibre will give the Pakistan Army an edge in the event of another conflict, since it has already acquired these highly sophisticated artillery pieces. Steps are, therefore, being taken to acquire these heavy field guns from western sources, since the Soviet Union does not have any in this range with comparable fire power and requisite range to meet India's requirements.

A more important development in the sphere of air defence would be that with the arrival of two squadrons of Mirage 2000 and another two MIG29 squadrons by the end of this year or early next year, the Air Force will be well placed to take care of the F-16s

supplied by the U.S. to Pakistan.

**Enough air support:** The Mirage and Jaguar combination backed by the MIG-23s, 27s and 29s will give the IAF a formidable offensive-defence capacity for both interdictory and interceptory operations, while the MIG-21s, Sukhaiks and others of earlier vintages will be able to provide adequate air support for ground warfare.

The Government is taking similar steps to meet the Navy's needs for coping with its increased responsibilities of guarding not only the sea routes but also off-shore installations. The intention is to go in for a mix of relatively smaller and much faster vessels equipped with the latest missile systems for this duel role under present-day conditions.

**Two pronged policy:** At the political level, the Government continues to pursue a two-pronged policy of continuing the work of the joint commission and the dialogue on the twin proposals for a friendship treaty and no-war pact, while stepping up India's defence preparedness and campaigning hard against the American supply of new weaponry to Pakistan well beyond its legitimate requirements.

**Rasgotra's visit put off:** The Foreign Secretary, Mr. M. K. Rasgotra, who was scheduled to go to Islamabad on May 12 had to postpone the trip by a week because of the impending visit of the U.S. Vice-President. He will be going now on May 19 for the official level talks on the two-inter-related proposals on peace and non-aggression.

A new element of distrust has crept into Indo-Pakistan relations in the wake of the Indian suspicion that Pakistan was aiding and abetting the Akali extremism. Despite Islamabad's vehement denials and protestations of innocence, the Indian suspicions persist about some degree of Pak. involvement in the current wave of terrorism.

### Soviet Response Noted

Madras THE HINDU in English 3 May 84 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, May 2--The high-level Indian delegation that went to Moscow for follow up discussions on the broad understanding reached during the recent visit of the Soviet Defence Minister Marshal Dmitri Ustinov, has returned reasonably satisfied with the Soviet response to India's request for some of the very latest weapon systems.

But a disquieting note has been struck by the Soviet Government which is not only trying to step up the prices but also hike the interest rate from two and half to five per cent.

Hitherto, the Soviet equipment has been provided on deferred rupee payment at a nominal rate of two and half per cent interest, repayable in 15 to 17 years with three to five year grace periods. The same repayment facilities continue to apply even in the case of current transactions, except that India is obliged to bargain hard over prices and also try to beat down the interest rates.

Western terms: The western powers, on the other hand not only sell military hardware at very high prices, some times twice or thrice more than that of comparable Soviet equipment, but also insist on immediate payment in foreign exchange. The buyers are offered governmental or commercial credits at relatively higher rates of interest with shorter periods for repayment for financing such purchases.

The wide range of equipment, now being offered by the Soviet Union for the Indian Army, Navy and Air Force--including MIG-29s, maritime reconnaissance and anti-submarine aircraft and transport planes, new sensing systems and latest missiles for the navy and tanks, other combat vehicles and other weapons for the ground forces--is certainly among the very best that India can obtain from any source. But it does not include a nuclear powered submarine as reported in some sections of the press abroad.

The Indian Navy has not reached the stage of development at which it can make a quantum jump to enter the era of nuclear propulsion. But it has not been neglecting this aspect since a team of Indian experts have been working on it, although the country has no intention of going in for nuclear weapons in the near future.

Extensive cooperation: The Indo-Soviet cooperation in the Defence sphere is now so extensive that it extends to almost every major aspect of aerial, naval and ground warfare. The Soviet Union is not only offering the latest weapon systems but also assisting India in elevating the technological levels of the defence efforts to enable the country to enter the new era of electronic warfare.

But this ambitious bid to close the gap of a generation is also posing for India some formidable problems of technological transition. The very process of rapid upgradation of the weapon systems involves not only a big financial burden but also problems of maintenance, training and eventual manufacture.

It is not without significance that while the Indian defence delegation was in Moscow discussing prices and delivery schedules, a Soviet technical team was visiting India to assess the country's production capabilities to switch over progressively to the manufacture of at least some new items that are being offered by the Soviet Union.

CSO: 4600/1813

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